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Japan

Reportage on Middle East Situation Continues

Envoy to U.S. on 'Expectations'

OW2708133790 Tokyo KYODO in English 1304 GMT 27 Aug 90

[Text] Tokyo, Aug. 27 KYODO—Japanese Ambassador to the United States Ryohei Murata said here Monday that the United States has high expectations Japan will come up with a timely, substantive, and symbolic contribution to international efforts in the Persian Gulf.

"The American people are greatly interested in what move Japan will make," said Murata, explaining that U.S. public opinion is more fixated on the events in the Gulf region than in Japan.

Murata said the U.S. view is that Japan should not only contribute in a way commensurate with its standing as a global economic power, but that it should act in a way demonstrative of its solidarity with the U.S.

The ambassador returned temporarily to Tokyo on Saturday to brief Prime Minister Toshiki Kaifu, Foreign Minister Taro Nakayama, and bureaucrats at the Foreign Ministry on U.S. expectations of Japan.

Murata criticized commentators who narrowly portray the Gulf crisis as a conflict between the U.S. and Iraq. "International society as a whole is responding to Iraq's invasion of Kuwait," the envoy rebutted.

He said that how Japan meets its responsibilities as a major economic power dependent on Middle East oil is a subject that is now under intense international scrutiny.

Murata said the U.S. is making a "great sacrifice" in economic terms by underwriting a massive deployment of troops and equipment to the Gulf. Washington finds itself saddled with such expenses just after East-West reconciliation had engendered optimism that fiscal imbalances could finally be rectified, he added.

A top Foreign Ministry official, meanwhile, blasted assertions that Japanese contributions to international efforts in the Gulf would make Japan a pawn of U.S. global strategy.

The official said that as the U.S. has gone to great lengths to protect Japan's main source of oil, it would be "unthinkable" for Japan not to help out an ally when that ally is helping out Japan. In any case, he added, the efforts now underway in the Gulf are international efforts which have been sanctioned by the United Nations Security Council.

LDP Split Over Sending Troops

OW2708151190 Tokyo KYODO in English 1451 GMT 27 Aug 90

[Text] Tokyo, Aug. 27 KYODO—A fierce political debate broke out Monday over whether Japan's Constitution permits the overseas dispatch of military personnel, promising to delay further the government's efforts to compile an assistance program for the Gulf region.

Secretary General Ichiro Ozawa of the ruling Liberal Democratic Party (LDP), told fellow party leaders he believes a clause in the Japanese Constitution that bars the use of force to resolve international disputes does not prevent Japanese military physicians and other noncombat Self-Defense Forces [SDF] personnel from joining United Nations peacekeeping forces.

Chief Cabinet Secretary Misoji Sakamoto said Ozawa's comments reflected his personal view, and not that of the party.

LDP elder and former Deputy Prime Minister Shin Kanemaru on Monday advocated in a speech a revision of the Constitution, drawn up by legal experts after Japan's World War II defeat with guidance from the American occupation forces.

"The Constitution was made by the Americans, so we are free to correct it," Kanemaru told members from his political grouping, the LDP faction under former Prime Minister Noboru Takeshita. "If we insist on protecting the Constitution we won't be able to exist alongside other countries and enjoy coprosperity."

The suggestion was sure to stir a controversy with opposition parties, which dominate the House of Representatives in the bicameral Diet, or parliament.

Japan Socialist Party Chairwoman Takako Doi, a professor of constitutional law before turning to politics, is adamantly opposed to the revision of the four decade-old Constitution or the dispatch of SDF personnel.

Elsewhere in the government, debate arose over a proposal to make available Japanese civilian-operated ships and aircraft for the transport of U.S. military supplies to the Persian Gulf. Alternatively, the ships and planes could be leased to the multinational forces, government sources suggested.

Vice Transport Minister Junji Hayashi swiftly shot down the proposal in a hastily convened news conference.

Meanwhile, it appeared that the United States was becoming impatient at Japan's failure to come up with its contribution to the multinational effort to free Kuwait from occupying Iraqi forces.

U.S. Ambassador to Japan Michael Armacost, in an interview with NHK Television, warned that Japan's critics abroad will blame Tokyo of "once again taking advantage of its unique difficult position" if it does not produce a concrete plan.

His comments, made through an interpreter, were in response to a question on a NEWSWEEK opinion poll in which Americans cited Japan as doing the least among all major countries to help defuse the month-old Gulf crisis. Armacost said he expects such criticisms to disappear once Tokyo announces its formula for assistance.

Among the less controversial measures being considered are boosting economic aid to Egypt, Jordan, and Turkey, and providing medical and other assistance for Kuwaiti refugees in Saudi Arabia and Jordan.

The government is working to put together an outline of the plan by Wednesday, one day before Finance Minister Ryutaro Hashimoto is due to leave for Europe.

Meanwhile, Iraq appeared to be dealing a double hand, allowing 19 Japanese citizens to depart for home, while refusing to disclose the whereabouts of about the same number of Japanese men who were taken to an unknown location Saturday.

There are now 434 Japanese nationals in Baghdad, including some 190 who arrived from Kuwait last week to find they were confined to a hotel and denied contact with the outside world. They had previously been staying in Japan's Embassy in Kuwait, which Iraq demanded closed down by Friday.

Two diplomats who have been maintaining the mission in defiance of Iraq have been managing without electricity and water since Saturday, when utilities were cut off.

More on Japanese Citizens in Iraq

OW2708134890 Tokyo KYODO in English 1213 GMT 27 Aug 90

[Text] Tokyo, Aug. 27 KYODO—Some 20 Japanese nationals taken away from a Baghdad hotel by Iraqi authorities on Saturday likely are detained at Iraqi government facilities, and more Japanese may have been taken away to undisclosed locations, Foreign Ministry sources said Monday.

While the Foreign Ministry expresses deepening concerns over the safety of Japanese currently stranded in Iraq, the Iraqi Government on the same day allowed 19 Japanese businessmen stationed there to leave the nation for Jordan, the sources said. This brings the number of Japanese in Iraq to 434, including about 190 detained by the Iraqis at the Al-Mansour Melia Hotel in Baghdad.

Iraq refuses to respond to Japanese requests on the whereabouts of some 20 male Japanese nationals, who are confirmed by the Japanese Embassy in Iraq as absent from all Baghdad's hotels.

The Foreign Ministry withheld disclosing the contents of unofficial information supplied by the Embassy for the sake of the safety of those Japanese remaining in Iraq.

Chief Cabinet Secretary Misoji Sakamoto said earlier in the day that Japan does not want to describe Japanese nationals detained in Iraq as hostages because it may hamper negotiations for their release. But the Foreign Ministry, judging from circumstantial evidence that Western nationals are held at Iraq's military and other government facilities as hostages, suspects the 20 Japanese are being placed in a similar situation.

Ministry sources also indicated the possibility that more Japanese nationals may have been taken away to undisclosed locations just as many Western nationals were separately put under detention at government facilities.

The 19 Japanese allowed to leave were among 187 business-related Japanese who have been stationed in Iraq.

Japan, while negotiating with Iraq on the safe release of its nationals, is drawing up measures aimed at assisting multinational forces to counter the Iraqi invasion and annexation of Kuwait.

Meanwhile, in Baghdad, the al-Mansour Melia Hotel, where the Japanese have been under virtual house arrest since being moved out of Iraqi-occupied Kuwait last week, has been put under tight security with armed troops being on alert around the clock.

The Iraqi authorities have rejected demands by Japanese Embassy officials and reporters for contact with the detained Japanese. A policeman in a patrol car blocked a KYODO NEWS SERVICE reporter from entering the hotel, saying the hotel has been shut down and there are no Japanese in the hotel.

Japan's Ambassador to Iraq, Kunio Katakura, quoted a senior Iraqi Foreign Ministry official as saying that the Japanese enjoy swimming in a hotel pool and are all in good condition. The official also said that the Japanese have no difficulty in communicating with Iraqi officials because some of them are fluent in Arabic.

The Iraqi authorities allowed the Japanese officials to send such goods as medical supplies, books, and whisky to the Japanese in the hotel, according to Katakura.

Owada Seeks Red Cross Help

OW2708153090 Tokyo KYODO in English 1500 GMT 27 Aug 90

[Text] Tokyo, Aug. 27 KYODO—Deputy Foreign Minister Hisashi Owada asked the International Red Cross [IRC] over the weekend to act as a mediator in winning the freedom of Japanese and other foreign nationals detained in Iraq, Foreign Ministry officials said Monday.

The officials said Owada, acting on behalf of Prime Minister Toshiki Kaifu and Foreign Minister Taro

Nakayama, made the request during a meeting in Geneva Saturday with IRC Director Cornelio Sommaruga.

Owada also urged the IRC to ask Iraq to allow Japanese Embassy officials in Baghdad to communicate with the estimated 193 Japanese being held against their will at a hotel in Baghdad, officials said. Another 20 Japanese are believed to have been taken from the hotel on Saturday.

Sommaruga was quoted as telling Owada that the IRC would do its best on humanitarian grounds to help Japan.

The officials also revealed that Owada will visit Britain and the United States after leaving Geneva. Owada is expected to meet in Washington with Richard Kimmitt, U.S. Undersecretary of State for Political Affairs, as well as Pentagon officials and members of the U.S. National Security Council, sources said.

In addition to briefing U.S. officials on Foreign Minister Nakayama's recent visit to five Middle East countries, Owada will also spell out how Japan plans to contribute to international efforts underway in the Gulf, they said. Owada will be the highest ranking Japanese official to visit the U.S. capital regarding the crisis since Iraq invaded Kuwait on August 2.

U.S. Request on Iraqi Diplomats

OW2808041890 Tokyo KYODO in English 0337 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—Japan is undecided about how to respond to a U.S. request to expel Iraqi diplomats, top government spokesman Misoji Sakamoto said Tuesday.

Chief Cabinet Secretary Sakamoto told a regularly scheduled news conference the United States has informed Japan of plans to expel Iraqi diplomats in retaliation for Iraq's attempts to close down foreign missions in Kuwait, and has asked Japan to do likewise. Sakamoto declined to give a reason for Japan's indecision over the handling of six Iraqi diplomats stationed in Tokyo.

Foreign Minister Taro Nakayama told a separate news conference the same day that Japan is now collecting information from countries concerned and watching developments. Japan, the U.S., and Britain are among the several countries that have defied an Iraqi order to close diplomatic facilities in Iraqi- occupied Kuwait.

Iraqi occupation forces have cut off water and power supplies to the foreign missions in Kuwait.

On Monday U.S. President George Bush ordered 36 of the 55 Iraqi diplomats stationed in Washington to leave the country, and restricted the remaining 19 from straying more than 40 kilometers away from their embassy. Bush has requested friends of the U.S. to take similar actions.

Iraqi Envoy on 'Hostile Policy'

OW2808121790 Tokyo KYODO in English 1130 GMT 28 Aug 90

[Text] Tokyo, Aug. 28 KYODO—Rashid M.S. al-Rifa'i, Iraq's Ambassador to Tokyo, on Tuesday reprimanded Japan for its unflinching support for U.S. policy during the Gulf crisis and said Japanese nationals will be detained in Iraq as long as Japan's "hostile" policy toward his country remains unchanged.

"If the Japanese Government is standing for war against Iraq, we have the right to host its nationals so we can prevent them (hostile nations) from attacking Iraq. The same applies for the Americans and the British," al-Rifa'i said in an interview with KYODO NEWS SERVICE.

Asked whether the 434 Japanese nationals in Baghdad will be released when Japan stops assisting the United States., al-Rifa'i said, "Yes, of course." But he also warned, "Let (Japan) be very close (to the U.S.) and suffer." "Your government's position has been very unfair from the beginning," the ambassador said. "So, we are meeting the unfair policy with something to correct the situation."

The ambassador said some 20 male Japanese nationals who were removed last Saturday from their hotel detention center in Baghdad are safe, but said he did not know where they had been taken. Al-Rifaz'i said Japan's hostility toward Iraq included its willingness to follow the U.S. "step by step even before the United Nations took any actions."

Tokyo was also criticized by the ambassador for supporting U.S. and British forces in the Gulf region, as well as its current plans to offer a range of assistance to the multinational forces arrayed against Iraq. He also criticized Japanese Foreign Minister Taro Nakayama's recent visit to Turkey, Oman, Saudi Arabia, Jordan, and Egypt for encouraging a boycott against Iraq and "bribing" them to take such action.

The ambassador said Japan's hostile attitude toward Iraq was particularly lamentable since the Tokyo Government "is in the position to be able to talk to all sides due to its good relations with everybody."

Baghdad's envoy reiterated that the withdrawal of all foreign forces in the area and negotiations among the Arab nations without American intervention were the preconditions for resolving the crisis peacefully.

"First of all, we don't want any foreign forces there (the Middle East), we want them out of the area. If there is any problem between Arabs, let it be solved by the Arabs themselves, but not by somebody dictating their views to them like the Americans do now," al-Rifa'i said.

He also said Western nations are guilty of applying a "double- standard" in the crisis. The ambassador criticized the U.S. for supporting the Israeli occupation of Arab land and "bullying people by force... like it did in Panama."

"Kuwait has been part of Iraq for 500 years and was only separated by British colonialism in 1913. There has been an official union of the two countries... Kuwait is now one prefecture of Iraq," al-Rifa'i said.

The United Nations has adopted a series of resolutions condemning the August 2 Iraqi invasion of Kuwait which includes economic sanctions and permission to use force to maintain them.

Japan, the U.S., and Britain are among the several nations that have defied an Iraqi order to close diplomatic facilities in Kuwait.

During his tour of the Middle East, Nakayama promised that Japan will provide economic assistance to countries which are being damaged by complying with the UN sanctions.

Shevardnadze's Scheduled Visit Outlined

OW2408123390 Tokyo KYODO in English 1131 GMT 24 Aug 90

[Text] Tokyo, Aug. 24 KYODO—Soviet Foreign Minister Eduard Shevardnadze is coming to Japan in early September primarily to lay the groundwork for a productive visit by President Mikhail Gorbachev next year, Soviet diplomats here said Friday.

But, the diplomats said, a new approach to the military and political situation in the Asian-Pacific region may also be discussed.

Shevardnadze is due to arrive in Tokyo on September 4 for a three-day visit to Japan. He will hold regular consultations with his Japanese counterpart, Taro Nakayama, and also meet Prime Minister Toshiki Kaifu.

The Soviet Union places great significance on discussions with Japan, the sources said, noting that the new Soviet-U.S. relations forged in the wake of the end of cold war mandate a totally different approach to stability and development in the Asian-Pacific region.

Japan has never presented a concrete framework for discussing the military and political situation in the region, but the two countries will be able to discuss that in the foreign ministerial talks, said one of the Soviet diplomats speaking with reporters in a regular meeting held once every three weeks.

The Soviet Union has been proposing creation of a forum similar to one in Europe to discuss security in the Asian-Pacific region. Canada and Australia have also proposed creating an Asia-Pacific security forum, but the United States and Japan are reluctant to accept the idea.

The diplomats said there are good possibilities for expanded economic and trade cooperation, citing arrangements for setting up joint ventures and exchanging bank branch offices.

They said the discussions between Shevardnadze and Nakayama will play an important role in deciding where their nations can achieve results during Gorbachev's visit. He will be the first Soviet leader ever to visit Japan.

The diplomats called attention to the growing autonomy given to the Soviet Far East coastal region, including independence in trade relations with other nations.

At the 11th Japan-Soviet governors' conference on economic and cultural exchange, held in Tokyo on Thursday, governors from both countries noted that a territorial dispute between Japan and the Soviet Union is preventing greater economic cooperation despite impetus given to trade by Soviet reforms.

Japan says resolution of the territorial dispute is a precondition to full-fledged bilateral economic ties as well as conclusion of a peace treaty.

Japan has long called for the return of Shikotan, Etorofu, Kunashiri islands and the Habomais off its northernmost main island, which were seized by the Soviets at the end of World War II.

Boris Yeltsin, president of the vast Russian Federation, said upon visiting one of the islands on Wednesday that, because of their economic potential, the Soviet Union should not abandon them.

The Russian Federation covers the Soviet Far East, including the disputed islands.

The Soviet diplomats said agreement is likely to be achieved at the upcoming meeting on Japanese aid to victims of the 1986 Chernobyl nuclear disaster.

Japanese Foreign Ministry officials said the aid will include assistance in environmental protection and in treating victims of radioactive exposure.

Bad Weather Hampers Northern Islands Visits

OW2508085890 Tokyo KYODO in English 0749 GMT 25 Aug 90

[Text] Nemuro, Hokkaido, Aug. 25 KYODO—A group of 23 Japanese on Saturday arrived in Etorofu Island, one of four Soviet-held islands off Hokkaido, to visit family graves, Hokkaido Prefectural Government officials said. It was the first time for Japanese to visit Etorofu Island since the end of World War II. A group of Japanese reporters also went on the pilgrimage.

A total of 65 Japanese left Nemuro Port in eastern Hokkaido on Friday to pay homage to their ancestors. The first group of 42 people was bound for Kunashiri and Habomai Islands, and 23 others bound for Etorofu and Shikotan Islands.

The officials said a Hokkaido Prefectural Government training ship carrying the 23 people arrived at Shana Port in Etorofu early Saturday morning.

The group was originally scheduled to land at Rubetsu, about 25 kilometers from Shana. The officials said they were apparently forced to change because of bad weather.

Meanwhile, the first group did not land at Kunashiri Island Saturday due to bad weather. They carried out a memorial service for their ancestors on the ship, the officials said. In line with Japan's claim to the islands, all participants were carrying identification papers issued by the Foreign Ministry, instead of passports.

Permission to visit Etorofu, where about 10,000 Soviet troops and 40 MiG fighter planes reportedly stay, reflects Moscow's desire to create a positive atmosphere for the scheduled visit of Soviet President Mikhail Gorbachev to Japan early next year, sources said. Another 23 Japanese will leave for gravesites on Etorofu on August 29.

North Korea

South's Arrest of Dissident Students Criticized

SK2608084790 Pyongyang KCNA in English 0822 GMT 26 Aug 90

["Prelude to New Repressive Offensive"—KCNA headline]

[Text] Pyongyang August 26 (KCNA)—The No Tae-u fascist group recently arrested 48 patriotic students by invoking the notorious "National Security Law" for they had fought against the U.S. and dictatorship and for national reunification, and threatened that "penalties ranging up to death sentence" would be imposed on them because they attempted to "overthrow the government."

NODONG SINMUN today denounces this as a vicious challenge to the patriotic forces of South Korea advocating reunification and democracy and a prelude to the bloody repressive campaign under the fascist "security-oriented" rule.

The news analyst says:

The South Korean students and people are justified in fighting against the fascist repressive rule and for new politics and new life. It is their inviolable right.

To fake up a shocking "incident," divert elsewhere the attention of public opinion at home and abroad and intensify the suppression of people under the pretext of purging the "seditious forces" undermining "public security" is a stereotyped method used by the puppets whenever their ruling crisis sinks into greater depths.

The No Tae-u group charges the patriotic students with "attempts to overthrow the government," urged by a sinister intention to fake up another shocking "incident" in order to bridge over their hopeless ruling crisis.

With no fascist repression can the military dictators prolong their remaining days.

The No Tae-u group must look straight at the reality, unconditionally and immediately release the illegally arrested students and people and give up the criminal intrigues to stifle the pro-reunification democratic forces.

Newspaper Demands Demolition of 'Concrete Wall'

SK2608082590 Pyongyang KCNA in English 0811 GMT 26 Aug 90

["Concrete Wall Must Be Torn Down Before Anything Else for Free Travel"—KCNA headline]

[Text] Pyongyang August 26 (KCNA)—NODONG SINMUN today comes out with a signed article saying that demolition of the concrete wall built in the area south of the military demarcation line is a matter of top priority in realising free travel and complete opening between the North and the South and paving the way for reunification.

The article says:

The concrete wall is a product of the "two Koreas" policy of the U.S. imperialists and a symbol of their policy of division and confrontation: It was built by the South Korean puppets backed by the U.S. imperialists in order to split the territory and the nation and freeze and perpetuate the division.

It is also a proof of the South Korean puppets' policy of North-South confrontation and their moves against communism and the DPRK.

The barrier of division has been in actuality a hurdle in the way of reconciliation and unity, contact and travel between the fellow countrymen for reunification in recent years.

The South Korean rulers insisted at first that there is no concrete wall which really exists, and now, they describe it as an "anti-tank barrier."

The South Korean puppets are denying the stark reality because they have committed a long string of crimes against the history and the nation and have no intention to pull down the concrete wall and realise free travel and complete opening in the future, either.

If they were unwilling to remove the concrete wall, they should have not uttered a word about free travel.

If the South Korean authorities are truly interested in free travel between the North and the South, they must show it in deed by tearing down the concrete wall.

Since they welcomed the opening of the wall of division in another country, there can be no pretext for them to refuse to demolish the concrete wall bisecting our country in its waist.

Whether the South Korean rulers pull down the concrete wall or not is a touchstone proving their talk about free travel is true or hypocritic.

For free travel, the concrete wall must be removed without delay.

South's 'Divisive' Moves for UN Entry Decried

SK2808053690 Pyongyang KCNA in English 0443 GMT 28 Aug 90

["Divisive Moves Against Trend of Time"—KCNA headline]

[Text] Pyongyang August 28 (KCNA)—The South Korean authorities' treacherous, divisive diplomacy for "unilateral entry into the United Nations" comes under fire in NODONG SINMUN today.

With the UN General Assembly session at hand, the South Korean authorities have toured some countries including those in Europe and, at the same time, invited high-ranking officials of non-permanent nations of the UN Security Council and other countries, to lobby "support for South Korea's UN membership".

This clearly shows how persistently the South Korean authorities, loud-mouthed as they are about "dialogue" and "unification", resort to the separatist moves for the creation of "two Koreas", the news analyst says, and continues:

The question of Korean membership of the United Nations is a crucial matter decisive of the future of the nation and a domestic problem pertaining to our nation's rights to self-determination. Therefore, it should be solved through dialogue and negotiation between the North and the South and on the basis of a nationwide agreement, an agreement between the two parts.

Though they agreed to discuss the UN membership problem at North-South High-Level Talks, the South Korean authorities still persist in the separatist moves with the "proposal for South Korea's UN membership" at a time when the talks are just around the corner. This is a downright challenge to the trend of the time towards reunification and a foul act reversing the agreement between the North and the South.

We, too, want UN membership and hope for its early realisation.

Out of the nation's desire and will against the division of the country and for its reunification, we have always maintained that Korea must enter the UN as a unified country. This stand still remains unchanged.

If the North and the South are to join the UN before Korea's reunification is achieved, they must not hold two separate seats but enter it jointly as one member in favour of the cause of reunification.

The South Korean authorities must stop noisily peddling abroad the reunification question, a domestic problem, instead of trying to solve it through North-South dialogue, so as to spoil the atmosphere of inter-Korean dialogue and cast a shadow over the prospect of the dialogue.

If one respects the dignity and sovereignty of the nation and hopes for Korea's peace and reunification, he must not encourage nor allow the South Korean rulers' "UN membership" scheme going against the dialogue for reunification but contribute to a smooth progress of the North-South dialogue.

The United Nations whose mission is to defend peace and justice should render assistance for a peaceful, fair settlement of the Korean question and never allow itself to be used in heightening tension on the Korean peninsula and obstructing Korea's reunification.

NODONG SINMUN on 'Threat' From South

SK2808051690 Pyongyang KCNA in English 0451 GMT 28 Aug 90

["Threat From the South on Korean Peninsula"—KCNA headline]

[Text] Pyongyang August 28 (KCNA)—What exists on the Korean peninsula is not "threat from the North" but threat from the South, declares NODONG SINMUN today.

U.S. President Bush and other high-ranking officials of the administration and the military recently contended that U.S. troops must remain in South Korea as a "deterrent force" because "threat from the North" has not been dispelled on the Korean peninsula.

The paper brands this claim as a malicious slander and insult to the peace policy of our party and the DPRK Government.

The daily says in a signed article:

We put forward proposals for peace and peaceful reunification such as an end to large-scale military maneuvers and arms buildup, phased disarmament, signing of a peace agreement, adoption of a nonaggression declaration, free travel and full-scale opening and nationwide dialogue, and have energetically worked to put them into effect.

"Threat from the North" over which the U.S. imperialists and the South Korean puppets are raising such an outcry is a shameless distortion of the stark reality of the Korean peninsula.

The modernly armed U.S. troops more than 40,000 strong and 1,000 pieces of nuclear weapons deployed by the U.S. imperialists in South Korea are a permanent threat to the North and the basic factor aggravating the tension and increasing the danger of war.

What they seek on the Korean peninsula is to keep hold on South Korea for an indefinite period, conquer our Republic and contain other socialist countries with it as a springboard in accordance with their aggressive Asia-Pacific strategy.

This is why they scheme to bar the reunification of Korea and freeze its division, keep hold on South Korea as their colony and military base, reinforce their armed forces, frequently hold military maneuvers and step up war preparations against the North.

The argument of the U.S. imperialists and the South Korean puppets about "threat from the North" is a crafty ruse to conceal their crimes and shift the blame for the failure of the relaxation of tension on the Korean peninsula on to the North.

The U.S. imperialists must discard the preposterous argument about "threat from the North" and immediately quit South Korea, taking along their troops and nuclear weapons.

'U.S. Get Out of Korea' Committee Head Visits

SK2508215890 Pyongyang KCNA in English 1505 GMT 25 Aug 90

[Text] Pyongyang August 25 (KCNA)—Susan Bailey, member of the National Committee of the Workers World Party of the United States and chairman of the U.S. Get Out of Korea Committee, arrived here today.

She was met at the airport by Kim Hyong-u, vice-chairman of the Korean Committee for Solidarity With the World People, and Yi Song-ho, vice-chairman of the Korean Anti-Nuke Peace Committee.

Soviet Science, Technology Expert Arrives 27 Aug

SK2708104590 Pyongyang KCNA in English 1031 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—A.V. Butrimenko, director of the International Centre for Scientific and Technical Information, arrived here today.

He was met at the airport by Yi Sang-sol, director of the Central Scientific and Technological Information Agency.

PRC National Defense Minister Tours Pyongyang

SK2408153590 Pyongyang KCNA in English 1518 GMT 24 Aug 90

[Text] Pyongyang August 24 (KCNA)—A Chinese goodwill military delegation headed by Qin Jiwei, member of the Political Bureau of the Central Committee of the Communist Party of China, state councillor and minister of national defence of the People's Republic of China, on an official goodwill visit to the DPRK, visited historic Mangyongdae today.

Being briefed on the immortal revolutionary history associated with the historic house where the great leader President Kim Il-song was born and spent his childhood, nursing the great idea of revolution, the guests went round with keen interest the historical momentoes preserved with much care. The guests posed for a photograph in token of their visit to the old home in Mangyongdae.

The head of the delegation wrote in the visitor's book: "The Example of the Revolutionary Family Will Be Everlasting."

That day members of the delegation visited the West Sea barrage. Hearing the story that our People's Army soldiers and builders under the wise leadership of our party have successfully dammed off a rough sea of 8 kilometres from the estuary of the River Tae and built the barrage of world standard in a matter of 5 years, the guests mounted an observation platform to enjoy a panoramic view of the barrage.

The head of the delegation said the Korean people successfully built the gigantic West Sea barrage which demonstrates the might of Korea.

Members of the delegation were invited to see a music and dance performance given by the song and dance ensemble of the Korean People's Army at the February 8 House of Culture in the evening.

They were accompanied by O Chin-u, Member of the Presidium of the Political Bureau of the WPK [Workers' Party of Korea] Central Committee and minister of People's Armed Forces.

Kim Tae-hyon Meets With Chinese Delegations

SK2408220090 Pyongyang KCNA in English 1526 GMT 24 Aug 90

[Text] Pyongyang August 24 (KCNA)—Vice-Premier Kim Tal-hyon today met and had friendly conversations with the Chinese Government scientific and technological cooperation delegation headed by Zhu Lilan, vice-minister of the State Science and Techology Commission, and a China Bank friendship delegation headed by Lei Zuhua, vice-president of the China Bank.

Evening of Korea-Cuba Friendship Conducted

SK2708223690 Pyongyang KCNA in English 1518 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—There was an evening of friendship and culture here today on the occasion of the 30th anniversary of the signing of the agreement on cultural cooperation between the governments of the Democratic People's Republic of Korea and the Republic of Cuba.

Present there were Chong Chun-ki, chairman of the Committee for Cultural Relations With Foreign Countries, Kim Chun-han, vice-minister of Culture and Art, and other officials concerned.

Invited to the function were Cuban Ambassador Juan Jose Leon Vega and his embassy officials and Cuban guests staying here.

After appreciating films of the two countries, the participants enjoyed games and amusement, deepening feelings of friendship.

Then followed a cocktail party.

Speeches were exchanged there which took place in a friendly atmosphere.

Earlier the participants saw an exhibition of graphic paintings on the theme of national reunification.

Visiting Italian Dignitary Meets Kim Il-song

SK2708102990 Pyongyang KCNA in English 1013 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—The great leader President Kim Il-song today received Secretary General Gian Carlo Elia Valori of the Italian Institute of International Relations on a visit to our country.

Secretary of the C.C. [Central Committee], the Workers' Party of Korea Kim Yong-sun was present on the occasion.

President Kim Il-song conversed with the guest in a cordial and friendly atmosphere.

The guest presented him with a gift.

President Kim Il-song arranged a luncheon for the guest.

Presents Gift for Kim Chong-il

SK2708105690 Pyongyang KCNA in English 1033 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—The dear leader Comrade Kim Chong-il was presented with a gift by Secretary General Gian Carlo Elia Valori of the Italian Institute of International Relations on a visit to Korea.

Gian Carlo Elia Valori handed it to Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea.

Belgian Visitor Praises DPRK Social System

SK2708103390 Pyongyang KCNA in English 1023 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—The socialist system of North Korea is an admirable social system, said Ludo Martens, chairman of the Central Committee of the Belgian Labour Party, when interviewed during his visit to Korea.

He highly appreciated the amazing successes registered in health services, education and urban construction.

North Korea is making strenuous efforts to achieve the country's reunification independently by peaceful means, he said, adding: The huge concrete wall built by the South Korean authorities across Korea from east to west shows their anti-reunification stand.

Kim Chong-il Receives Gift From Mozambicans

SK2708104790 Pyongyang KCNA in English 1032 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from Pascoal Manuel Mocumbi, member of the Political Bureau of the C.C. [Central Committee], the Frelimo Party and minister of external relations, who is heading the visiting party and government delegation of Mozambique.

The gift was handed to Kim Yong-nam, vice-premier of the Administration Council and minister of foreign affairs, by Pascoal Manuel Mocumbi.

Kim Il-song Receives Greetings on Anniversary

SK2708045490 Pyongyang KCNA in English 0440 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, received messages of greetings from Andre Kolingba, president and head of state of the Central African Republic; Jerry John Rawlings, chairman of the provisional National Defence Council of the Republic of Ghana; and Manuel Pinto da Costa, chairman of the Liberation Movement of Sao Tome and Principe and president of the Democratic Republic of Sao Tome and Principe; on the occasion of the 45th anniversary of the Korean liberation.

The messages express the belief that the excellent relations of friendship and cooperation existing between Korea and the abovesaid countries would grow stronger and develop in the interests of their peoples.

Kim Il-song Replies to Foreign Party Leaders

SK2708104390 Pyongyang KCNA in English 1028 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea, sent messages to foreign party leaders in reply to their messages on the occasion of the June 25- July 27 month of solidarity with the Korean people.

Among them were Herving Chung, chairman of the Caribbean National Movement; Jose Francisco Aguilar Bulgarelli, general secretary of the popular forces organized in Costa Rica; Jorge del Prado, general secretary of the Central Committee of the Peruvian Communist Party; Rolando Brena Pantoja, president of the Executive Committee of the National Left Revolutionary Union of Peru; and Walter Silbermayer, chairman of the Central Committee of the Communist Party of Austria.

Expressing thanks for their support to the Korean people's cause of national reunification, Comrade Kim Il-song in his reply messages expressed the belief that the friendly relations between the Workers' Party of Korea and the above- said parties will further develop.

* Tongil Street Design Detailed

902C0273A Pyongyang NODONG SINMUN in Korean 24 Jun 90 p 4

[Article by Meritorious Designer Kim Il-kuk, chief engineer at Pyongyang City Plan Designing Office: "Buildings Which Will Glorify the Era of the Workers Party"]

[Text] The great leader Comrade Kim Il-song taught as follows: "This year we have to build houses in Pyongyang and other cities and farm villages in a big way while developing light industry and agriculture fast so that we may solve the people's food, clothing, and shelter problems in a more satisfactory manner to suit the demands of socialism."

Currently, Tongil Street is newly rising in Pyongyang, the capital city of the revolution, amid the immense interest of the people.

Tongil Street, rising in a vast area south of Pyongyang, will be another monumental creation of the era of the Worker Party, born of the benevolent hands of the great leader and the dear Comrade Kim Chong-il, who are showing all kinds of affection to provide our people with a happier and more cultured life.

As is the case with all other buildings erected in Pyongyang so far, the buildings rising in Tongil Street will present their peculiar but diverse and rich features characteristic of the chuche-based aesthetic thought of our party. So, Tongil Street will resplendently adorn the era of the Workers Party as another chapter in the development of chuche-based architectural art.

Daring Scale of Construction

As everyone knows, Tongil Street will be situated in the hilly district along the Taedong River, an area not so complicated geographically. Taking advantage of the topographical characteristics, Tongil Street will be erected in such a way as to be daring in scale but orderly, each key position arousing diverse aesthetic senses.

Basic to the formation of the street are the buildings to be erected in the street. Depending on what forms the buildings take and how they are formed, the overall formative characteristics of the street will be determined.

The buildings in Reunification Street will be large and massive overall, giving the street a grandiose air as a whole.

The foremost among these characteristics of the buildings is their scale.

All buildings rising in Tongil Street, though each district has its own distinctive form, will have one thing in common, that is, the largeness of their scale. The length of an apartment building will be between 300 and 400 meters, housing between 500 and 600 families on average. The enormous size of an apartment building is illustrated by the L-shaped apartment building in the Eighth Section which will house 1,500 families. At the entrance to Tongil Street from Youth Street, there will a long L-shaped apartment building at the corner of the street, and the length of this apartment building will be 600 meters.

Even where various attractive buildings are erected, they will be grouped together in a large unit so that they conform to the overall architectural pattern of bigness in Tongil Street while maintaining the diversity within the unit.

This may be a very ideal form giving life into the characteristics of Tongil Street.

This kind of unity in diversity may be found in each section. For instance, in the Fourth District, two or three buildings with the same height are clustered together in the background, and in the Second and Third Districts, a group of three 30-story tower-shaped buildings and another group of three 25-story tower-shaped buildings are clustered together respectively. Slender buildings stand in between these large buildings to give harmony, yet all the buildings as a whole will give an air of bigness.

The characteristics of the buildings in Tongil Street which look elegant in appearance and yet orderly in form is well manifested also by the method of drawing distinctive demarcation lines between different districts.

Generally, in building a large street, it is customary to provide certain demarcation lines. But in the case of Tongil Street, buildings in different districts have different uniform architectural forms, providing a distinctive demarcation line between districts and yet giving Tongil Street an impressive and solemn air as a whole.

Let see how this pattern appears in each district. Long L-shaped apartment buildings are clustered together in the First and Second Districts; L-shaped apartment buildings and single apartment buildings are erected in the Third and Fourth Districts respectively; 12 to 20-story straight apartment buildings are combined with long buildings in the Sixth District; and the Seventh and the Eight Districts consist of screen-shaped and L-shaped buildings respectively.

Natural, Geographical Conditions Utilized Fully

The characteristics of buildings rising in Tongil Street cannot be dissociated from their relations with the natural and geographical conditions and the mutual relationships with the neighboring streets and buildings.

Brilliantly implemented in the formation of Tongil Street is our party's chuche-based architectural aesthetic thought of bringing all building elements into harmony with each other and insuring non-repetitiveness and cubism in the building forms by utilizing the natural and geographical conditions in a rational manner.

One characteristic of the natural scenery surrounding Tongil Street is the serenity of the Taedong River. The Taedong River flows virtually straight from Nungna Island until it arches near Tongil Street, unfolding a spectacular scenery. Accordingly, in forming the street, it was very important to make the buildings add to the beautiful scenery of the Taedong River and yet have their own characteristics. Particularly, given the hilly topography of this area, it was necessary to arrange buildings in such a way as to add to the natural scenery of the river by utilizing the diverse effects of the buildings and at the same time to bring them into harmony with Restoration Street, Youth Street, the second-stage project of Chollima Street, and Changgwang Street sprawling on the opposite side of the Taedong River bank.

By implementing the chuche-based architectural aesthetic thought, the party carefully studied all the environmental factors surrounding the location of Tongil Street and has seen to it that the street is formed by utilizing these environmental factors in a rational manner.

In this connection, characteristically, a riverside street is formed separately. It is characteristic of this riverside neighborhood that the buildings are generally arranged in the form of steps. The buildings rising along the riverside consist of diverse single tower-shaped apartment buildings erected in consideration of their scenic effects as viewed from the embankment and from the shore, so that they may add to the beautiful scenery of the riverside. Thus the riverside buildings not only add to the spaciousness of the area along the Taedong River but also make the street as a whole give a sense of cubic beauty when viewed from the river bank.

In consideration of the level topographic characteristics, care has been taken to fully insure the sense of cubic beauty in planning Tongil Street by diversifying building forms.

Take the building in the Fourth and Fifth Sections in the Sixth District for instance. This L-shaped building has five different heights ranging from 12th to 20th floor, giving the impression that it forms the steps from the foot to the top of a mountain.

In this way, in the planning of Tongil Street, care has been taken to provide curvaceous beauty not only to individual buildings but also to the arrangement of different buildings and the arrangement between different districts so that the monotonous topography of the level land may be excellently compensated for with architectural art.

The fine harmony with the environment in the formation of Tongil Street is also illustrated by the arrangement between buildings and the mutual relationships with other neighboring streets.

It is an important problem in insuring the overall beauty of Pyongyang City how to bring Tongil Street into harmony with its neighboring communities, such as Restoration Street, Youth Street, the second stage project of Chollima Street, and Changgwang Street. Viewed from the center of Pyongyang City, Tongil Street is situated in the southern bend of the Taedong River. All buildings in Tongil Street are large and their outlines are distinctly visible from afar. In addition, the whole street is formed like a heavyweight by keeping balance with Restoration Street, Youth Street, and the second-stage project of Chollima Street, thus adorning the southern gateway to the capital.

Furthermore, excellent harmony between different buildings will be achieved. Rising along the 120-meter wide road which stretches out spaciously in the center of the street will be graceful buildings matching the grandiose scale of the road. Between giant buildings, tower-shaped buildings, and high and low single buildings will be erected, giving the whole street a sense of beauty.

How rationally all buildings are arranged to suit the given topographical condition is well illustrated by the Second and Third Districts. These districts, when viewed from the Taedong River, look so beautiful as if a line of boats with tall sails were afloat.

All buildings, while in ideal harmony with each other like this, mix with each other without repetitiveness.

In this way, by utilizing the natural and geographic environments and topographic and ground conditions in a rational manner and by arranging buildings in characteristic and diverse ways in the context of the mutual relationships between the street and buildings, Tongil Street—which is as huge in scale as a city by itself—will be erected as such a fine street that you would never feel tired no matter how much you may wander about in it, continually making you feel something new and singular about it.

Conveniences in Daily Living

The characteristics of the buildings in Tongil Street consisting mainly of dwellings cannot be dissociated from their usage value.

The internal structures, amenities, and fixtures of the buildings rising in Tongil Street in conformity with the intrinsic demands of our superior socialist system which is doing everything possible to promote the material and cultural well-being of our people have been determined on the principle of insuring the conveniences of our people in their daily living to the fullest.

Each housing unit in Tongil Street will have several rooms, including a kitchen, toilet, and wash room. In particular, windows are installed on the sunny side of all buildings, and the ventilation systems are very effective. In addition, no matter how large an apartment building may be, much space is given for the entrance, and three to four family units on the same flour are assigned to each entrance. An elevator is located conveniently, and there is so much space between adjacent buildings that even when hundreds of family units live under the same roof, they won't feel congested.

In Tongil Street—so named by reflecting the ardent desire and determination of our entire nation to make the 1990's the historic decade in which the reunification of our fatherland will be achieved—the "Reunification Hall" will rise and the stone monument bearing the name of Tongil Street will be erected at its entrance. Many buildings have been erected in Pyongyang streets since the postwar period. These numerous monumental edifices and streets are permeated with the warm boundless affection of the great leader and the dear Comrade Kim Chong-il, who are making all kinds of benevolent efforts to provide a more affluent and contented life to our people. On top of the numerous buildings and streets which have been erected so far with increasing elegance with the passage of time, Tongil Street is rising to splendidly adorn the first crest of the 1990's, and this is another manifestation of the sagacity of the great leader and the dear Comrade Kim Chong-il for our people.

Indeed the newly rising buildings in Tongil Street will brilliantly adorn the flower garden of chuche-based architectural art which has beautifully blossomed with the era of the Workers Party and pride themselves before the whole world on being monumental structures lasting for ages along with the happiness of our people.

* Tongil Street Construction Accelerated

902C0272A Pyongyang NODONG SINMUN in Korean 26 Jun 90 p 4

[Article by reporter Pae I-son: "Brilliant Exploits Being Rendered in the Central Road Construction on Tongil Street by the Soldier Constructors of the Unit to Which Comrade An Pi-tuk Belongs"]

[Text] The commanding officers and soldier constructors of the unit to which Comrade An Pi-tuk belongs, who vigorously launched into the central road construction project in Tongil Street in response to the party's militant appeal to accelerate the construction of Tongil Street, are energetically at work doubling or tripling the construction speed every day.

Comrade Kim Chong-il, member of the Standing Committee of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee, pointed out as follows: "The revolutionary struggle demands that the people who have embarked upon the road of revolution struggle intensely and make continuing innovation and continuing forward movement always with the indomitable revolutionary spirit and strong determination, not permitting themselves any indolence, laxity, and even a moment's stalling and stagnation."

The commanding officers and soldier constructors of this unit, which has successively earned such high praise as a "powerful unit," a "hard working unit," and a "high-performance unit" from our party by erecting numerous monumental structures of the era of the Workers Party, including the West Sea Floodgate, the Bridge of Loyalty, the Nungna Bridge, and the Pyongyang Acrobatic Theater. They are now working wondrous miracles and innovations also in the construction of the road running through the center of Tongil Street.

It seems just yesterday that they scooped their first shovels of earth. But they have already removed millions of cubic meters of earth and carried out tens of thousands of cubic meters of structural construction, thereby opening the prospect for completing the overall project ahead of schedule.

Daring Operation

Conducting operations boldly and daringly and accomplishing them without fail under whatever condition with the pluck and indomitable will nurtured by our party—this is the important struggle ethos being highly demonstrated by the commanding officers and soldier constructors of Comrade An Pi-tuk's unit who are grappling with the construction of the central road of Tongil Street.

In the process of carrying out the construction project of the 120-meter wide and over 10-ri long central road of Tongil Street precisely in accordance with the blueprint, the combatants of this unit working on this project were faced with the problem of how to lower the second elevation made up of layers of hard rock by 16 meters.

The work involved was so huge that it would take more than two years to accomplish if conventional methods were to be used.

The problem was how to accomplish this work speedily in a short period of time.

They gathered together on the spot and their fever rose as they discussed how to tackle this problem, calculating the volume of work and the time required to finish it and searching for ways to do it. One proposal called for boring an inclined shaft for detonation, and another suggestion called for a graduated detonation so that work could be carried out to suit the transportation capacity.

Still another proposal was made that over 16-meter deep holes be bored in several hundred points at the same time to blow up the whole 800,000 cubic meters of hard base rock at one swoop.

When this infinitely daring innovative proposal was made, all were excited. The plan, bold and daring, heartened all who were anxious to speedily complete the construction of the central road.

The commanding functionaries, constructors, and soldier constructors, proficient in technologies and skills, all actively supported this plan.

The commanding officers chose the hundreds of locations where vertical shafts would be bored. They assigned jobs and also organized a competition.

When the combat proceeded at full steam on a daring scale, an unexpected difficulty was encountered. It suddenly rained, and gushes of water welled up from underground, and water also flowed from between rocks, blocking the progress of the construction. But the soldier constructors did not budge or fall back.

A fierce battle raged day and night. On each day of this battle, the combatants increased the construction speed breaking through the obstacles head-on, burning with the fervent desire to give their precious prime of life, which comes only once in their lives, to the fatherland in an honorable way, and cherishing the pride and the conviction that the fatherland would never forget the soldiers of today.

It was an effervescence of the fighting men's burning faith with the party and the fatherland and a manifestation of their rock-firm determination to live and fight gloriously with loyalty to the party and leader.

Infinitely precious to them who know of no complacence on the one road of struggle to implement party intention was time. Grappling with the task with the determination to complete it as soon as possible, they looked for ways to shorten by half the 2-month time required for the gigantic blast.

Instead of the method of boring hundreds of vertical shafts and exploding them simultaneously, they introduced the method of blasting individual holes one by one under a condition which would insure safety, thereby once again increasing the construction speed by more than half.

Through this struggle they successfully carried out the gigantic blast involving more than 800,000 cubic meters in only a month.

They did the same thing in the process of the struggle to dispose of 1.3 million cubic meters of rock refuse, a job which an optimistic estimate had given a half year to fish it.

The combatants won't make such an easy-going estimate.

They drew up a bold operational plan to carry out a huge volume of work and grappled with the task to execute it while building ground structures and carrying out the overall roadbed construction work in only a month.

The construction site was literally burning with strong enthusiasm. The soldier constructors and truck drivers in charge of rock refuse disposal work ran about quadrupling their performance speed. The soldier constructors working on structural construction also set a new, equally spectacular speed each day. The harder the soldiers worked, the more affectionate the officers of the unit became to them, treating them like their own children.

The officers of the unit, concerned about the soldiers who worked hard on the day shift, had to push their backs or "order" them to stop at the prescribed shift time because they were unwilling to quit.

The soldiers were likewise concerned about their commanding officers who commanded them in their work, working and living together with them. That is why they did not want to leave the work post before they had done two or three times as much work as their assignments.

On this course of struggle to implement the party's intention as soon as possible, the commanding officers and their men were united as one evermore tightly and the construction speed increased evermore thanks to their mutual affection.

They have already completed a 190-meter double line flood prevention project, an underground pedestrian passage project, an underground communications network, one heating system, and 1,500-meter roadbed construction.

Breaking Through Obstacles

The more layers of barriers and trials they encounter, the more gallantly they move forward renewing their speed—this is another proud struggle ethos being displayed by the soldier constructors of this unit.

It was when the construction of underground structures was in progress. An unexpected thing happed in the course of a 6 to 7 meter deep tunneling project. A muddy layer appeared suddenly, spurting out water at the rate of 200 cubic meters an hour. To add injury to insult, it also rained cats and dogs.

It was at this moment that an officer of the unit to which Comrade Cho Han-sin belongs blocked a water hole with his body and shouted, "Comrades, let us not retreat but block the holes first."

Other soldier constructors on the work site did not see the sight with their arms folded.

A revolutionary song reverberated throughout the work site, reminiscent of a fierce battle ground.

Nobody ordered or organized, but in no time were the high-spirited young soldier constructors setting up the pumps they quickly brought into the work site. Their intention was to pump out the water.

Other soldier constructions, quickly noticing the intention of their comrades to drain the pool of water, launched into work to block the water holes.

In the middle of this fierce battle, a new construction speed was created one after another.

While the work to block the water holes and to pump out water by setting up pumps was under way on the one hand, other constructors sped up the basic tunneling work 1.5 to 2 times faster on the other hand.

There was no obstacle which could not be overcome by these soldier constructors who launched into their work with the determination to complete the road construction project in a short period of time.

They first gave themselves only a month to complete this project, which according to the initial estimate, would take several months to complete, and shortened the goal still further and produced the brilliant exploit of completing it in less than 15 days by breaking through whatever obstacles by their own efforts. This struggle ethos manifested by the soldier constructors of the unit to which Comrade An Pi-tuk belongs in the road construction project in Tongil Street can be seen everywhere on the project site.

It was seen when the soldier constructors of the unit to which Comrade Kang Chin-sop, a labor hero, was building the No. 4 underground pedestrian path.

Here also the whole work site became muddy or turned into a pool of water, rendering it impossible to continue the work.

But there was no room for more equipment.

Nevertheless the constructors had no thought of delaying the project.

They grappled with the difficulty with burning enthusiasm and removed the mud and drained the water and tackled the basic tunneling work. The construction speed increased with the passage of time.

After a path was built and equipment was installed, they performed five times as much work a day as they had done before.

As a result, they accomplished the brilliant exploit of finishing the underground pedestrian path in slightly over 10 days despite the initial estimate of over two months.

The commanding officers and soldier constructors of Comrade An Pi-tuk's unit are engaged in a vigorous struggle to continue to create the "speed of the 1990's" everywhere on the project site by giving full play to the revolutionary spirit of Mt Paektu—the chollima spirit, the revolutionary spirit of speed battle.

Seminars Held 30 Years After Kim Chong-il Plan

SK2808050090 Pyongyang KCNA in English 0439 GMT 28 Aug 90

[Text] Pyongyang August 28 (KCNA)—National scientific seminars of educational scientists and students took place at Kim Il-song University over August 22-27 upon the lapse of 30 years since dear Comrade Kim Chong-il unrolled a far-reaching plan to make Korea shine all over the world, leaving his imperishable marks on Kim Il-song University, true to the lofty intention of the great leader President Kim Il-song.

The seminars were attended by a large number of educational scientists and students of universities and colleges including Kim Il-song University in the capital and local areas.

The scientific seminars were divided into those of educational scientists and of students in economics, history, philosophy, law, Korean linguistics, foreign languages, mathematics, physics, chemistry, biology, geography, geology, automation, atomic energy, engineering and medical science.

More than 750 excellent scientific treatises were presented by teachers and researchers authoritative in their major fields of study at the seminar of educational scientists which was held over August 22-25.

400 odd excellent treatises were read by students in the capital and local areas at the scientific seminar of students held on August 26 and 27.

The scientific seminars clearly showed the imperishable feats of our party in educational science and proud successes gained in this field under the party's guidance.

Ensuring Party Leadership, Mass Line 'Essential'

SK2708101990 Pyongyang KCNA in English 0959 GMT 27 Aug 90

["It Is Fundamental Demand for Bringing Advantages of Socialism Into Play To Embody Party's Leadership and Mass Line in Uniform Way"—KCNA headline]

[Text] Pyongyang August 27 (KCNA)—NODONG SINMUN Sunday carried an article titled "It Is Fundamental Demand for Bringing Superiority of Socialism Into Play To Embody the Party's Leadership and Mass Line in Uniform Way."

The author of the article quotes the great leader Comrade Kim Il-song as saying:

"In order to effect socialist democracy to the fullest extent and bring the advantages of our socialist system into full play, we must ensure the party's leadership and implement the revolutionary mass line."

Ensuring the party's leadership and implementing the mass line, the two aspects of the united work which are inseparably linked to each other in strengthening the might of the subject of revolution, are a fundamental matter decisive of the destiny of socialist construction, the article says, and continues:

The popular masses are unable to display their might as masters of revolution and construction, apart from the party's leadership and the party cannot realize its leadership over revolution and construction, without relying on masses.

It is a fundamental demand for bringing the advantages of socialism into play to implement the mass line while ensuring the party's leadership.

Enhancing the leadership role of the party and implementing the mass line make it possible, above all, to thoroughly champion and meet the fundamental demand and interests of the popular masses in accordance with a correct strategy and tactics and bring the advantages of socialism into full play.

To defend and meet their fundamental demand and interests is the most essential content of the socialist system and it is realized by the party, a guiding force of society.

The Workers' Party of Korea has put forward the most correct line and policy, strategy and tactics which embody the principle of the chuche idea and the basic demands and interests of the popular masses and steadily strengthened its political leadership over society, so that the independent demand and interests of our people might have been carried into practice and the advantages of socialism brought into full play.

Enhancing the leadership role of the party and implementing the mass line make it possible also to eliminate bureaucracy and subjectivism and fully enlist the creativity of the popular masses so as to successfully push ahead with the revolution and construction.

It is an important content of the party's leadership over the masses to firmly arm them with the lines and policies of the party and rouse them to implement them. The course in which the party awakens and organises the masses is, after all, that of actively rousing them to the revolution and construction and that of bringing their revolutionary zeal and creative ingenuity into full play.

The article stresses in particular:

It is all the more important for the ruling party to enhance the leadership role of the party and implement the mass line. Functionaries of the ruling party are liable to work in such a bureaucratic way as ordering and instructing with their power, not relying on the masses.

Bureaucracy and subjectivism and other outdated work method and style paralysing the masses' creativity can never be allowed in the socialist society where the popular masses are the masters of society and state.

Our party has set it as a fundamental principle in party's building and its activity to enhance the leadership role of the party and implement the mass line and waged a vigorous struggle to apply the traditional work method of our party among its functionaries.

The chongsanri spirit and chongsanri method created by our party are the most revolutionary and democratic principle of mass guidance and work method which correctly combine the party's leadership with the revolutionary mass line.

Institute Publishes Chuche Bulletin New Edition

SK2708103590 Pyongyang KCNA in English 1021 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—The Asian Regional Institute of the chuche idea brought out its bulletin "The Age of Chuche" No. 29.

Printed in it is a picture of dear Comrade Kim Chong-il in his office room.

It carries an article captioned "New Exposition of World Outlook."

The article explains the essence and content of the chuche outlook on the revolution clarified by Comrade Kim Chong-il in his work "On Establishing the Chuche Outlook on the Revolution".

The bulletin carries articles headlined "Rays of Great Ideas and Theories" and "Individual Life and Collective Life."

"People's Life in Korea", "Non-Aligned Movement and the DPRK", "Korean Youth" and "Korean Circus" are the titles of other articles carried in it.

Statue of Kim Yong-kwon Placed at Pabal Site

SK2708054190 Pyongyang KCNA in English 0449 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—A bronze statue of Comrade Kim Hyong-kwon, an indomitable communist revolutionary fighter (1905-1936), was erected at the Pabal revolutionary battle site in Yanggang Province in the northern part of Korea.

Comrade Kim Hyong-kwon, holding important posts of the Paeksan Youth Union, the League of Communist Youth of Korea and the Korean Revolutionary Army organized and commanded by the great leader President Kim Il-song, worked hard to expand and strengthen revolutionary organizations and conducted brisk military and political activities for the preparation of the anti-Japanese armed struggle and thus performed great feats.

Assigned to a mission at home by the great leader, he led an armed group of the Korean Revolutionary Army to the homeland, roused broad segments of the masses to an anti- Japanese struggle in Samsu, Pungsan, Iwon, Hongwon and other areas and daringly waged several battles to punish Japanese imperialist aggressors. Typical of it was the battle in Pabal-ri in August, 1930.

The Pabal revolutionary battle site which is associated with the history of Comrade Kim Hyong-kwon who dealt a telling blow at the Japanese imperialist aggressors and gave the fellow countrymen confidence in the liberation of the country through his active military and political activities has been built up as one of the mighty strongholds for education in the revolutionary traditions.

A monument and the Pabal revolutionary museum as well as the bronze statue of Comrade Kim Hyong-kwon have been set up in the battle site area. Some 40 old buildings including an iron works and other historical buildings, a Japanese imperialist police substation and the subcounty office building have been restored to their original state, vividly showing the scene at the time of the battle in Pabal-ri.

A ceremony for unveiling the bronze statue of Comrade Kim Hyong-kwon and laying wreaths before it was held with large attendance on August 26 on the occasion of the 60th anniversary of the battle in Pabal-ri.

So Yun-sok Attends Cooperative Farm Rally

SK2808062190 Pyongyang Domestic Service in Korean 2100 GMT 23 Aug 90

[Text] A rally was held on the spot yesterday by agricultural workers of the Wonhwa Cooperative Farm to thoroughly fulfill the recent implementations of the programmatic teachings of the great leader Comrade Kim Il-song.

Comrade So Yun-sok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea, responsible secretary of the South Pyongan Provincial Party Committee, and chairman of the South Pyongan Provincial People's Committee; Comrade Kim Chung-nin, secretary of the party Central Committee; Yi Hak-chol, vice chairman of the Agricultural Committee; U Chong-hak, vice chairman of the Central Committee of the Union of Agricultural Working People of Korea; and other functionaries concerned participated in the rally with the agricultural workers of the Wonhwa Cooperative Farm. During the rally a report was made by Kim Yong-ok, chairman of the management committee of Wonhwa Cooperative Farm. Next, Kim Yong-se, secretary of the village's party; Kim Chin-pal, assistant engineer; Sin Yun-hui, captain of the work team; and Yi Chun-ha, chairman of the village Agricultural Workers Union, held discussions.

The reporter and those participating in the discussions said that the rally is being held amid the magnificent atmosphere of the people of the whole nation vigorously carrying out the struggle to create a new speed of the nineties by highly upholding the militant task put forth by the great leader Comrade Kim Il-song in his New Year Address and the historic policy speech made at the first session of the Ninth Supreme People's Assembly.

They pointed out that the great leader recently elucidated a brilliant road toward completing, in the near future, the historic task, which was presented in the socialist rural thesis.

The great leader Comrade Kim Il-song has taught: If the thesis is fulfilled there will be no differences between urban and rural areas and class difference between the working class and farmers in our country. Also, farmers will be able to be completely free from the difficult and toilsome work. Thus they will be able to produce more agricultural products even though they work less.

The reporter and those participating in the discussions pointed out that the agricultural workers must highly uphold the rural technological revolutionary task put forth by the great leader and the task to abolish the difference in the standard of living between the urban and rural areas. They also pointed out that the agricultural workers have launched a glorious and worthwhile task of achieving the rural thesis as soon as possible.

They indicated that the struggle to completely achieve the rural thesis further elucidates the greatness of the party and the leader and the honor of chuche Korea, and that this is a struggle to ultimately achieve in advance the victory of the cause of the chuche-type revolution.

They talked about the great leader coming to Wonhwa-ri through the gunfire during the fierce fatherland liberation war to plant the first seeds of the cooperative farm and how he personally became a member of the cooperative farm to change this backward region into a cultured socialist farm that has been industrialized and modernized. They also talked about the dear Comrade Kim Chong-il personally becoming an honorary member of the farm and taking the initiative to energetically make the Wonhwa Cooperative Farm into a national model farm.

The reporter and those participating in the discussions emphasized the need to display the honor of completing the rural thesis with priority by the agricultural workers of the Wonhwa Cooperative Farm who are living and working in the glorious land where immortal revolutionary historic relics exist, by cherishing the rock-firm faith of carrying out tasks as determined by the party in the past, and to thoroughly fulfill the recent programmatic teachings of the great leader. A resolution and an appeal to the agricultural workers of the whole nation were adopted at the rally.

Meteorological Satellite Earth Station Built

SK2708223790 Pyongyang KCNA in English 1521 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—The meteorological satellite earth station of the Hydrometeorological Bureau was completed with the assistance of the U.N. Development Programme (UNDP).

With the completion of the station, it is now possible to increase scientific accuracy in observing disastrous weather and in weather forecast and prevent possible natural calamities.

It will get regular meteorological data several times daily from stationary and orbital satellites to improve weather forecast services for agriculture, fisheries, marine transport and aviation and contribute to the weather observation programs of the World Meteorological Organisation.

The commissioning ceremony took place today.

Invited to the ceremony were Henning Karcher, representative of the UNDP in Korea, his office staff and advisers of the World Meteorological Organisation staying in Korea.

Present there were Kim Tal-hyon, vice-premier of the Administration Council and chairman of the External Economy Commission, Yi Kon-il, director of the Hydrometeorological Bureau, and others.

In the evening the External Economy Commission arranged a party with the commissioning of the station.

* Robotics Design, Production Reported

* National Robotics Show Held

902C0247A Pyongyang NODONG SINMUN in Korean 14 Jun 90 p 3

[By reporter An Yong-pil: "Brilliant Fruits Reaped by the Three Revolutions Vanguard in the Course of the Technological Revolution—National TRT Robotics Show Held"]

[Text] A national Three Revolutions Teams [TRT] robotics show opened recently in the Pyongyang Gymnasium amid the great concern and high enthusiasm of all the people and TRT members.

Entered in the show were over 1,490 finest sets selected from a large number of robots, plus over 1,700 pieces or some 600 kinds of electronic, automation elements and appliances, designed and built by TRT members by strengthening creative cooperation with workers and technicians.

Accounting for a large portion of them are robots that are to play a powerful role in further modernizing production processes and enhancing productivity in the extracting, metal and machine industries, including the "coating robot" built by TRT members sent to the 28 August Factory, the "precision casting film-coating robot" entered by TRT members of the Kumsong General Tractor Factory and the "ore unloading robot" made by TRT members at the Komdok Mining Complex.

Also on display are highly efficient robots designed and manufactured by TRT members dispatched to construction, railway transport and agricultural sectors such as the "plasma steel-pipe cutting robot," "through-traction-motor-commutator surface pounding robot," "bleaching-powder packing robot," "slate shaping robot" and the "large-size carbon paper transport robot," as well as those which will contribute to the material and cultural livelihood of the people, including the "cylindric roll assembly robot," "pottery glazing robot" and "plywood bending robot."

Particularly notable of the show is the fact that the exhibits are mostly the type of robots that make up cells for flexible manufacturing systems [FMS] and that as such, they are finished, high-class products scientifically and technologically. Particularly conspicuous among them all are the "flexible press complex," "flexible cutting cell," "piston processing flexible manufacturing cell," and many others built by TRT members at the 5 October General Automation Factory, the 3 April Factory, the 26 February Factory and the Chongjin Machine Tool Factory. They are extremely sophisticated and highly practical.

Those robots on display are indeed the brilliant fruits of the devoted struggle and creative enthusiasm of TRT members who waged vigorous technical innovation movements in every sector and every unit of the people's economy upholding the party's technological revolution policy.

Comrade Kim Chong-il, member of the Standing Committee of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee, pointed out:

"We must not be satisfied with what we have achieved in science and technology [S&T] but wage positive struggles to develop the nation's S&T onto a new higher level."

Our party, with its deep insight into the new demands of our revolution in its higher stage now, put forth bold plans to bring on a major turnaround in the fulfillment of the technological revolution, then energetically led party members, the working people and TRT members in their implementation.

Saying that TRT members who are armed with the chuche ideology and possess the advanced knowledge of S&T can successfully accomplish the tasks assigned them, however difficult and complicated they may be, the dear Comrade Kim Chong-il placed them in the forefront of the technological revolution. Also, with regard to this robotics show, he showed his deep trust and love for them by leaving it entirely in their hands. TRT members throughout the country, always adding luster to party decisions with their loyalty, gave full play to their revolutionary spirit of self-reliance and fortitude, burning with determination and fervor to answer the trust and expectations of the party with feats they perform. They successfully solved difficult S&T problems and turned out many robots of our style that are closer to perfection and more efficient.

The dear Comrade Kim Chong-il, extending deep solicitude to the struggles being waged by TRT members, solved all problems arising in their way and led them to creation and feats.

The national TRT robotics show is a great S&T festival under our party's sagacious leadership and careful oversight and, as such, will greatly contribute to rapidly developing the nation's S&T and enhancing its economic power.

* TRT Credited for Robotics Production

902C0247B Pyongyang NODONG SINMUN in Korean 14 Jun 90 p 3

[Unattributed article: "For Them, the Party Resolution Is the Faith in Their Hearts"]

[Text] With the flames to create the "Speed of the 1990's" blazing high, each and every day of the fatherland literally marks the moments of miracles and feats being embroidered into history. They are the purposeful, proud days filled with exciting events.

The national TRT [Three Revolutions Teams] robotics show, held amid the great expectations and concern of our working people and TRT members, offers another brilliant painting of creation and feats performed on the road of the solemn march of the great socialist construction.

The huge army of robots filling up the large gymnasium floors, balconies, hallways and even its yard are precisely the brilliant fruits of genuine creation and burning fervor of our young intellectuals, who represent the Three Revolutions' reliable vanguard always holding the banner high and standing in the head of the ranks struggling to carry through party policies, who bear the party resolution as the faith in their hearts and keep adding luster to it with their loyalty.

Comrade Kim Chong-il, member of the Standing Committee of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee, pointed out:

"...we must ensure that TRT members put great emphasis on fulfilling the technological revolution and make major contributions to solving pressing S&T problems that await solutions in various areas of the people's economy."

Chucheization, modernization and scientization of the people's economy is our party's technological revolution guideline; to positively push for the realization of robotization and computerization of production processes is a major task in further consolidating the foundations of socialist industrialization and strengthening the nation's economic power.

Our party, firmly resolved to raise by another step the levels of development of our robotics and electronic, automation industries, had launched the bold operations to hold a robotics show of an unprecedented scale, then led the operations sagaciously. Especially, our party showed its profound trust of our young intellectuals, the vanguard of the Three Revolutions, by entrusting this difficult massive project to them. TRT members across the country, accepting the honorable task with their hearts, vigorously launched into struggles to design and manufacture the finest robots and various electronic automation elements and appliances in a short period of time holding aloft the torch of technological innovation. They displayed their wisdom and creative enthusiasm to the fullest in those struggles.

As the vanguard of the Three Revolutions, they were determined to perform the role of spearheading the nation's S&T development and thereby, through that loyalty of theirs, to answer the party's trust and expectations. What kept their hearts burning unceasingly while they were building their robots, inspiring them into the untiring thinking and fervent pursuit as they showed was the pure, unambiguous loyalty and high self-awareness on their part.

On display in No. 4 Exhibition Hall is a robot that has impressed visitors deeply. It is the "rice sack hauling-loading robot" built by Comrade Kong Song-chol of the Pongchon County Grain Administration Office. Needless to say, many other robots on display appear to be of higher-class. However, visitors are so deeply impressed—not by the robot's sophistication or flexibility but by the hidden story it tells of the profound loyalty and ardent passion of a TRT member—that they find themselves unable to leave it.

In fact, when Comrade Kong Song-chol decided to make this robot, no one readily believed him. Indeed for him, who had majored in pharmacology in college, it was too formidable a task to tackle the difficult S&T problems of the technical engineering and electronic fields on his own. But he never bent his will. He was firmly determined that it is not the way of thinking befitting TRT members to put the blame on conditions and environments or argue about degrees of knowledge and experience over whatever is expected by the party to be done, and whatever is required by the revolution to be accomplished. He rushed to the Great Study Hall of the People and set out on a course of devoted study. In the following six months, he put in a long long mileage visiting special research institutes and machine plants in various areas and spent many many days mired in problems that he could not solve for himself. After such strenuous research and earnest, persistent efforts, he finally completed the design for the robot. But he had to find it even more difficult to process hundreds and thousands of accessories and parts in a short period of time. Nevertheless, he did not expect other people to do it for him. He self-trained in the lathe and drilling machine operations and learned pipe-making and welding techniques. He moved on step by step and, finally, produced a robot of such high practicality and efficiency as he did.

Comrade Kong Song-chol is not the only example. Comrades Yim Chang-kyun and Kim Myong-sim, young TRT members sent to a hospital in a northern area, also struggled the same way to make the "herb medicine sealing robot." It was with the same devotion and passionate pursuit, too, that TRT members at the 25 March Factory built the "warehouse control robot." As many as 50 percent of the TRT members participating in the robotics show had not majored in robotics-related courses in college and this fact alone vividly shows how our TRT members are burning with loyalty in their hearts.

Responding to words of unending praise from visitors, Comrade Kong Song- chol, who is still in his twenties, said:

"It was indeed a task beyond my ability. But the only thing I had in my mind was that I must do it because it was a task entrusted by the party, which is counting on us."

TRT members are all young intellectuals who just embarked on their career as engineers. Nevertheless, they put out all the wisdom and fervor they had in the efforts to solve problems as required by the party.

—What is expected and intended by the party is the very standard by which we think and act.... This was the very position and viewpoint adhered to by our TRT members who have built all their robots in a way that suits conditions in our country, with our own technology and materials. Let us take a look at the case of TRT members who, assigned to the passenger train crews of the Western Railway General Bureau, made the "passenger coach outer wall cleaning robot."

After many trials and errors, they managed to complete a trial robot. Functionaries and workers came to offer their heartfelt congratulations. But team leader Comrade Yun Il-chung and other TRT members were not happy. They were disturbed by the fact that they, preoccupied with the test run schedule of the robot, took a short cut on several parts including the voltage stabilizer, making use of existing ones instead of making them from scratch.

They decided that "only when we complete our robot with our own technology and materials as the party requires can we proudly call it our creation."

Then, they launched a new battle. This time they successfully produced all the parts needed, large and small, on their own and with their own technology—and completed the robot in a more brilliant way in token of their loyalty to the party. This high self-consciousness and loyalty is embodied in all the robots on display, including the "spinning machine's rubber-roller cleaning robot" built by TRT members sent to the Sariwon Textile Mill and the "oil-brake packing robot" manufactured by TRT members at the Sungni Chemical Factory.

Another reason the national TRT robotics show has been such a success and added so much to the pride and confidence of visitors is the very fact that it was in the midst of the seething realities and on the basis of knowledge and experience they gained in their own pursuit and practical struggles there, not in any cozy laboratories, that TRT members produced such high-class robots of our style. Indeed, they are neither accomplished specialists nor have enough experiences as yet in S&T fields. Nevertheless, while gaining experience in practical struggles and learning lessons from trial and error, they devoted all their energy to building robots of the highest-class possible. TRT members sent to the 28 August Factory put themselves among the broad producer masses, learning from them, getting ideas from them. By doing so, they built the "direct program robot," a high-class robot, to greatly contribute to the automation of the difficult and complicated processes of coating and spraying. Meanwhile, Comrade Hyon Chong-chol, a TRT member at the Sinwon Machine Factory, produced the "high-frequency heat treating service robot" together with technical workers at the factory, undaunted by dozens of failures.

The robotics show, fully demonstrating the wisdom and talents of our young intellectuals as well as their high revolutionary spirit and work attitude, is a grand S&T festival that greatly contributes to positively accelerating the automation and robotization of our industry. As such, it marks another sweeping innovation in the cause of liberating our people from difficult, backbreaking labor and rapidly developing the nation's productive forces.

Furthermore, the robotics show marks an important turning point in bringing up our young new-generation intellectuals as reliable forces to push forward shouldering the nation's S&T developments.

The national TRT robotics show has indeed demonstrated the correctness and vitality of the TRT movement of our party once again.

Province Constructing New Fertilizer Plant

SK2708103790 Pyongyang KCNA in English 1019 GMT 27 Aug 90

[Text] Pyongyang August 27 (KCNA)—A new fertilizer plant is under construction in Manpo, Chagang Province, Korea. This July 4 Fertilizer Plant will annually produce hundreds of thousands of tons of nitrogenous and phosphate fertilizers.

The builders have developed a high construction speed from the beginning of the project to erect 30 odd productive buildings with a total floor space of 120,000 square metres, apartment houses for 800 families and many other structures in a short time.

The construction of the plant will prove to be one more effective guarantee for a new turn in agricultural production in Chagang Province including the production of food grain and cocoon.

Increased Ore Production Drive Brings Results

SK2508104490 Pyongyang KCNA in English 1026 GMT 25 Aug 90

[Text] Pyongyang August 25 (KCNA)—The output of ores is on increase in Korea.

According to Chong Chu-hong, director of the Planning Department of the Ministry of Mining Industry, 1,400,000 more tons of nonferrous metal ores and 400,000 more tons of nonmetallic minerals have been turned out as of mid-August entering this year compared with the same period last year, taking the ministry as a whole.

The drive for increased production has been brisk at mines under the Yanggang provincial mining complex, too, which set the ore production plan 48.9 percent higher than last year.

The August mine increased the ore output more than four times in the first seven months this year as against the corresponding period last year by giving priority to tunnelling and earth-scraping and tapping and enlisting immense reserves.

The Hyesan Youth Mine built a sloping pit belt conveyer several thousand metres deep to raise the efficiency of ore conveyance more than two times and create ore dressing capacity of 300,000 tons.

The Sangnong Mine under the Tanchon District General Mining Bureau showed a gain of 28 percent in ore output in July over the same period of last year by increasing the utility rate of mining equipment.

In this mine the ore output jumped 2.5 times in the first half of this year over the corresponding period last year.

Innovative achievements have been reported from the Komdok Mining Complex, the Novembosvi Mine and all other mines under the provincial mining administrative bureaux, too.

South Korea

Further on Reaction to Crisis in Middle East

No Hints at 'Non-Military' Aid

SK2708115790 Seoul YONHAP in English 1150 GMT 27 Aug 90

[Text] Seoul, Aug. 27 (YONHAP)—President No Tae-u hinted Monday that the South Korean Government may provide non-military supports to the multi-national forces deployed in the Gulf region.

No said, in his meeting with Kim Yong-sam, chairman of the ruling Democratic Liberal Party (DLP), "The government is considering measures that it can take within the limit of its capacity." Choe Chang-yun, senior presidential secretary for political affairs, quoted No as also saying in the meeting, "A forced annexation by Iraq of Kuwait is a hard thing to bear. Peace should be restored to the region."

Party Supports UN Resolutions

SK2508073290 Seoul YONHAP in English 0721 GMT 25 Aug 90

[Text] Seoul, Aug. 25 (YONHAP)—Kim Tae-chung, president of Party for Peace and Democracy (PPD), said Saturday his party opposes Korean military intervention in the Middle East, but supports economic sanctions against Iraq in compliance with U.N. resolutions. Kim said supra-partisan measures should be taken if war breaks out.

Stocks Surge at 'Good News'

SK2708035090 Seoul YONHAP in English 0304 GMT 27 Aug 90

[Text] Seoul, Aug. 27 (OANA-YONHAP)—Share prices on the Korea Stock Exchange soared Monday morning on good news from the Persian Gulf.

The Composite Stock Price Index [SCPI] skyrocketed 25.31 points in the first two hours of trading to 612.69 as of 11 o'clock. It is the first time in five days the leading index has been above 610 points.

Brokers attributed the surge to news that U.N. Secretary-General Javier Perez De Cuellar will mediate the Gulf crisis and to expectations of substantial market boosting steps when a special committee of the ruling Democratic Liberal Party meets in the morning.

The market opened strong and the CSPI surged 12.8 points in the first 10 minutes after the opening bell. Almost all sectors rose sharply. Of the issues traded, 779 or 95.1 percent advanced against seven declines and 633 hit their highest daily permissible levels. Trading was slow as there were few sellers and the Stock Market Stabilization Fund remained on the sidelines. A total of 2.25 million shares changed hands on turnover of 29.008 billion won (40.57 million U.S. dollars) as of 11 A.M.

Impact of 'Paramount Importance'

SK2808015490 Seoul THE KOREA HERALD in English 28 Aug 90 p 8

[Editorial: "Gulf Crisis at Crossroads"]

[Text] Tension over the Gulf seems far from subsiding, although there are some indications that a peaceful solution to the crisis is being pursued in earnest. The United Nations has announced that its chief, Javier Perez de Cuellar, is to meet Thursday in Jordan with Iraqi Foreign Minister Tariq 'Aziz to engage in a full exchange of views on the crisis, while Iraqi President Saddam Husayn himself is openly advocating a political solution to the Gulf entanglement.

But, the United States has not budged an inch in its demand that Iraq withdraw from Kuwait unconditionally as a prerequisite for peace talks, while the U.S.-led force in the region has swelled to 80,000 troops and a standoff is continuing at several Western embassies in Kuwait.

Despite the diplomatic maneuvers in quest of a peaceful settlement, nobody can exclude the possibility that a full-blown war may break out. What is most hoped at this juncture is that all parties involved in the confrontation exercise maximum restraint to prevent the situation from flaring into an all-out war. The impact of a devastating conflict in this region would be beyond description, economically and otherwise, not to mention the danger of undermining the prevailing detente.

Surely, there is a compelling reason for the United States and other Western countries to take due measures against any attempts to use foreigners for aggressive designs, which cannot be justified in the international community under any circumstances. Nonetheless, the United States and its allies ought to think twice before resorting to military action.

Western countries may well continue to press for Iraq's leaders to come to their senses through collective condemnation and actions. Any rash actions single-handedly taken by the United States may increase the possibility of dropping the current crisis into a deeper abyss. Turning the current Gulf impasse into a "holy war" between Arab nations and the "Satanic" Western states is undesirable.

It seems inevitable for Korea to side with Western nations in implementing the trade sanctions imposed by the United Nations against Iraq. Yet, south Korea is in a unique situation that it cannot but be concerned about the possibility north Korea, reportedly with nuclear capability, might be encouraged by the adventurism of Iraq and react violently. Kim Il-song, who has defied the international trend toward reforms, might be tempted, if he felt threatened by the north's worsening internal challenges amidst external pressure for openness, to use Pyongyang's military power against the south.

The impact of the Middle East crisis on Korea is of paramount importance to us. Rising oil prices could trigger inflation and maim our economic viability. The government and people should be wise and judicious enough to avoid some of the worst effects of the current Gulf confrontation.

North Sends Invitation to LDP Headquarters

SK2808030190 Seoul CHOSON ILBO in Korean 28 Aug 90 p 2

[Report from Tokyo]

[Text] According to a report by the Japanese daily ASAHI SHIMBUN on 27 August, in connection with the visit to Pyongyang of an advance contingent of the Liberal Democratic Party [LDP] of Japan, North Korea has sent an official invitation to the LDP Headquarters. The LDP advance contingent will leave for Pyongyang on 4 September with the mission of sounding out the possibility for former Deputy Prime Minister Kanemaru's visit to Pyongyang. North Korea has usually sent invitations on an individual basis when it invited dietmen of the LDP to visit North Korea. It is the first time North Korea has sent an invitation to the Headquarters of the LDP.

North Given Suggested Program for Seoul Talks

SK2808092590 Seoul YONHAP in English 0918 GMT 28 Aug 90

[Text] Seoul, Aug. 28 (YONHAP)—South Korea presented North Korea with suggested programs Tuesday for North Korean delegates to the inter-Korean prime ministers' talks in Seoul next week. The contents of the programs were not made public.

"Senior liaison officials from the South and North held a working meeting in the truce village of Panmunjom to discuss procedures for the coming Seoul high-level talks and South Korea handed over the proposed program for the North Korean delegation's four-day stay in Seoul," a spokesman for the National Unification Board said. North Korea will study the proposal and make a response at Thursday's working meeting for senior liaison officials, he said.

On Wednesday, a list of northern delegates will be handed to the South in return for a memorandum guaranteeing their safety in Seoul, the spokesman said.

South and North agreed July 28 that the first meeting of their prime ministers will be in Seoul on Sept. 4-7 and the second in Pyongyang on Oct. 16-19 to discuss inter-Korean matters. The talks are officially known as the South-North high-level military and political talks, and the top delegates are the prime ministers of South and North Korea.

Kim Yong-sam Postpones Trips to U.S., Canada

SK2508014990 Seoul YONHAP in English 0142 GMT 25 Aug 90

[Text] Seoul, Aug. 25 (YONHAP)—Kim Yong-sam, executive chairman of the ruling Democratic Liberal Party [DLP], has postponed a trip to the United States and Canada until after the National Assembly sitting that opens in September for a three-month run, DLP spokesman Pak Hui-tae said Saturday.

Pak said the visit was put off because of the rapidly changing domestic and international situations since Iraq annexed Kuwait early this month. Kim had planned to the trip for Aug. 29-Sept. 8.

There was criticism that the DLP leader's visit came at a time of economic and political difficulties, including a possible oil crisis, the near-collapse of the stock market and opposition political activities.

Boris Yeltsin Associates To Visit ROK in Sep

SK2408060790 Seoul YONHAP in English 0528 GMT 24 Aug 90

[Text] Seoul, Aug. 24 (YONHAP)—Seven of close associates of Boris Yeltsin, president of the Russian Republic, will visit South Korea on Sept. 13-20 as guests of an institute run by a top aide to President No Tae-u, an institute official said Friday.

The Research Institute for Nordpolitik of Korea has invited V. Lukin, chairman of the Russian parliament's committee for international affairs and foreign economic relations, Mayor of Vladivostok A. Volintsev, Mayor of Nakhodka V. Samshin and four others to attend a seminar on Korea-Soviet relations, the official said.

The institute is run by Pak Chol-on, a former first state minister for political affairs and a key architect of No's northern policy to improve relations with communist nations. Pak visited the Soviet Union this month to discuss normalization of ties with South Korea.

During their week-long stay, the Soviet officials will discuss bilateral ties and Yeltsin's trip to Seoul with Korean officials, he said. Pak said Yeltsin, a rival of Soviet President Mikhail Gorbachev, may visit Korea this year.

Korean, Japanese Construction Ministers Meet

SK2808074090 Seoul YONHAP in English 0716 GMT 28 Aug 90

[Text] Seoul, Aug. 28 (OANA-YONHAP)—Construction Ministers Kwon Yong-kak of South Korea and Tamisuke Watanuki of Japan discussed construction cooperation in talks Tuesday, according to a ministry spokesman said [as received]. The two ministers agreed to form a "cooperational council for construction industry," headed by representative industrialists of the two countries, and to keep in touch for their mutual benefit at the Urguay Round negotiations, he said.

Drugs From Philippines Diverted to ROK, Japan

SK2508001590 Seoul THE KOREA HERALD in English 25 Aug 90 p 3

[Text] Possibility is high that heroin and other drugs will be diverted to Korea and Japan from the Philippines which has recently become a favored staging area for onward shipment of illegal drugs, an international narcotics expert said yesterday.

The expert, who wished not to be identified, went on to say that recent months have seen the seizure of some extraordinary shipments of heroin in the vicinity of Manila, an indicator of the increased importance of the Philippines in the worldwide illegal narcotics trade.

Cautioning against increased tourism between Seoul and Manila which he said is being manipulated by the drug traffickers, he said that a massive growth in the trade of heroin has helped swell drug traffic in the Philippines to the point where seizures of illegal drugs by police last year totaled approximately $200 million in value.

According to him the Philippine drug scene was dominated in the past by marijuana and shabu. Heroin's appearance is believed by drug enforcement officials to indicate decisions by traffickers to avoid such transit points as Malaysia, Singapore and Thailand, where surveillance has been stepped up. He also said that ethnic Chinese gangs are believed by the narcotics agents to be largely in control of the trade in the area.

Methamphetamine, known as "ice," is another relatively new addition to the Philippine drug scene, he said. The Philippines, along with south Korea and Taiwan, has emerged as a principal exporter of the substance worldwide, he concluded.

Accord With Beijing on Direct Flights for Asiad

SK2708121190 Seoul YONHAP in English 1158 GMT 27 Aug 90

[Text] Seoul, Aug. 27 (OANA-YONHAP)—South Korea and China formally agreed on 57 direct charter flights by South Korean airliners around and during the Asian Games next month, the Sports Ministry said Monday.

The first voyage will be on Sept. 4 by Asiana, transporting 150 tourists in one hour and 50 minute morning flight to Tianjin, followed by Sept. 10 Korean Air flight to Beijing for a 62-member culture troupe, ministry officials said.

The agreement came during talks between representatives of Civil Aviation Administration of China and Yun Hae-chung, attache to South Korean delegation to the Asian Games, in Beijing. The 57 round-trips, 39 to Beijing and 18 to Tianjin, will be made between Sept. 4 and Oct. 31, officials said, ferrying tourists and athletes, officials said. While Korean Air will dispatch 29 out of 32 planes to Beijing, Asiana will concentrate more on Tianjin route.

The agreement is a significant outcome derived from the South Korea-China sports exchanges, officials said. Weekly direct charters will increase to three after the Asian Games ends on Oct. 7, officials said.

Tariffs, Visas, Branches in China Discussed

SK2808031890 Seoul YONHAP in English 0251 GMT 28 Aug 90

[Text] Beijing, Aug. 28 (YONHAP)—Leading South Korean and Chinese businessmen discussed economic cooperation and exchanges in separate meetings on trade, investment and banking on Monday afternoon.

The Koreans, members of the International Private Economic Council of Korea (IPECK), asked the Chinese to let Korean companies open branches in China, to reduce the heavy tariffs on Korean imports and to issue long-stay multiple-entry visas to Korean businessmen, according to Korean sources. The two sides agreed to request their governments to issue multiple-entry visas for three to six months to the other side's businessmen and to solve matters concerning branches and tariffs, the sources said.

Before the meetings, there was a four-hour round-table talk with IPECK Chairman Yi Han-pin making a keynote speech and officials of the China Council for Promotion of International Trade (CCPIT) explaining China's open-door economic policies. On Tuesday morning, IPECK Executive Adviser Kim Pok-tong, Korea Long-Term Credit Bank Chairman Ham Tae-yong, Sumsung Co. President Yi Pil-kon and the others toured companies and associations near Beijing.

The IPECK members will continue their talks on pending economic issues until Sunday. IPECK is a government-approved economic window to socialist nations.

Economic Cooperation Panel Set With Mongolia

SK2708092690 Seoul YONHAP in English 0852 GMT 27 Aug 90

[Text] Seoul, Aug. 27 (YONHAP)—South Korea and Mongolia have agreed to launch a private economic cooperation committee, the International Private Economic Council of Korea (IPECK) said on Monday.

"A memorandum was signed by officials of the Mongolian External Economic Ministry and the visiting Korean economic cooperation delegates on Aug 18-21," an IPECK spokesman said. The Koreans, representing IPECK, were asked to participate in mining projects and production of household electric appliances and time division exchanges, a high-tech electronic switching system, he said.

"An economic delegation from the central Asian nation will visit Seoul this year to finalize the opening of the bilateral cooperation committee. It is expected that the committee will start work early next year at the latest," the spokesman said. The Koreans were from nine leading companies. Korea opened diplomatic relations with Mongolia in March.

Joint Venture To Produce Pipes in Indonesia

SK2808025890 Seoul YONHAP in English 0220 GMT 28 Aug 90

[Text] Seoul, Aug. 28 (YONHAP)—Pusan Steel Pipe Corp. (PSP) of South Korea and Pt. Mitracorp Pacific Nusantara of Indonesia recently signed a contract to build a joint-venture factory to make steel pipes and tubes with an annual production capacity of 60,000 tons in West Java.

It will be the first time a Korean firm has set up a pipe production facility in Indonesia.

Under the contract, PSP and Mitracorp will establish Pt. PSP-Mitra Industries in conjunction with Samsung Co. of Korea and Mitsubishi Co. of Japan with total capital of 5 million U.S. dollars. The factory is expected to be built in Bogor County, near Jakarta, and begin turning out water pipes, structural pipes and electric poles in 1992. Some 65 percent of the output, worth 40 million dollars a year, will be sold in the U.S., Japanese and Southeast Asian markets, a PSP official said.

He said PSP will hold 45 percent of the shares and the management rights, Mitracorp will have 40 percent, Samsung 10 percent and Mitsubishi the remaining 5 percent.

Goldstar Establishes Service Network in GDR

SK2808020690 Seoul THE KOREA TIMES in English 28 Aug 90 p 8

[Text] Goldstar has recently established a nationwide service network in Germany to include five East German cities through Goldstar Deutschland GmbH, Goldstar's incorporated sales firm there.

With this foothold Goldstar expanded its sales activities in the German market. The stations in the five major East German cities including Leipzig, Dresden and Erfurt provide prompt repair services and technical training, according to Goldstar. Two more Goldstar service stations are scheduled to open next year.

Commercial Arbitration Pact Signed With Hungary

SK2808094390 Seoul YONHAP in English 0926 GMT 28 Aug 90

[Text] Seoul, Aug. 28 (OANA-YONHAP)—South Korea has signed a commercial arbitration agreement with Hungary to help settle disputes swiftly and fairly, the Korean Commercial Arbitration Board said Tuesday.

The agreement, the first between Korea and a communist country, provides a systematic device for the settlement of conflicts accompanying transactions between the two nations. Seoul and Budapest opened diplomatic relations in February last year. Bilateral trade totaled 68 million U.S. dollars, including 49 million dollars worth of Korean exports, last year.

Han Pong-su, president of the Arbitration Board, and Lajos Tolnay, chairman of the Hungarian Chamber of Commerce, signed the agreement in Budapest on Aug. 24. The agreement stipulates that the place of arbitration should be the country in which the claimant for arbitration resides and that the arbitrating institute should be from the same nation. The two sides also agreed to begin positive cooperation to promote international arbitration.

With Hungary, Korea now has arbitration agreements with 10 countries, including the United States, Japan, China, Thailand and Denmark, and three organizations, including the International Chamber of Commerce, a board official said. The board plans to increase the number of countries with which it has arbitration agreements to 61 by 1995.

More on Party Conflict Before Assembly Session

Pre-Assembly Merger Urged

SK2508071390 Seoul YONHAP in English 0650 GMT 25 Aug 90

[Text] Seoul, Aug. 25 (OANA-YONHAP)—Opposition leader Kim Tae-chung called again on Saturday for the merger of his Party for Peace and Democracy (PPD) with the Democratic Party (DP) before the National Assembly convenes on Sept. 10.

He said he would do his best to create a unified opposition by merging the PPD, DP and a dissident group into an alliance to stand against President No Tae-u's Democratic Liberal Party.

Kim called on DP leader Yi Ki-taek to make up his mind about the merger so it can be completed before the Assembly convenes.

All 70 PPD lawmakers, seven DP lawmakers and an independent submitted their resignations to protest the ruling party's unilateral passage of controversial bills last month.

Kim, Yi and the Rev. [Reverend] Kim Kwan-sok, chairman of the Council for Promoting a Unified Opposition Party, agreed in principle to form an opposition alliance by merging their political forces to struggle against the huge ruling party, which has 218 of 299 Assembly seats by virtue of the merger of the old ruling party and two opposition parties in February.

The PPD and DP are at odds over various matters, however, including the leadership system and each's share in the new party.

DLP Reshuffle Denied

SK2808071690 Seoul YONHAP in English 0706 GMT 28 Aug 90

[Text] Seoul, Aug. 28 (YONHAP)—A spokesman for the ruling Democratic Liberal Party (DLP) testily denied that a reshuffle was in the works Tuesday.

Pak Hui-tae told reporters following a meeting of officials in the morning that none of the DLP's three co-chairmen had discussed a party reshuffle and none was under consideration. Pak snapped when asked about DLP Floor Leader Kkim Tong-yong's intention to resign.

"It was revealed at the party officials' meeting that Kim has never expressed his will to resign for health reasons and he has never telephoned anyone in the DLP about the matter," he said. On Monday, newspapers quoted an unidentified DLP source as saying a reshuffle was discussed by president No Tae-u and DLP Executive Chairman Kim Yong-sam to create a mood for resuming talks with the opposition.

No Tae-u Urged To Do More in Remainder of Term

SK2708082390 Seoul TONG-A ILBO in Korean 25 Aug 90 p 2

[Editorial: "Second Half of President No's Term in Office—Produce Trust and Hope in Politics"]

[Text] President No Tae-u entered the second half of his five-year term of office on 25 August. When he took office on 25 February 1988, President No vowed that he would open "a great era of the common people" during his stay in office, focusing on democratization as the paramount task to be fulfilled during the Sixth Republic.

Despite the short period of two and a half a years since his inauguration, President No's policy goal as such has brought enormous changes to our society.

In many areas, authoritarianism has disappeared and freedom and self-regulation have visibly been promoted. Compared with the Fifth Republic, the way the schools and labor movement are run has changed beyond recognition. Externally, the establishment of diplomatic relations with East European countries and the active northern policy have achieved great successes. The Olympics held in our country in 1988 have shown our self-confidence before the world.

Despite such partial accomplishments achieved in the first half of his term of office, reality in our society has long been called a "wholesale crisis."

What is the domestic political situation? All of the eighty-odd opposition lawmakers have already tendered their resignations. Besides that fact, which is the inevitable outcome of the artificially engineered merger of three parties, the ruling party is also experiencing an internal conflict of its own making. The integration of the opposition forces has hit a snag and there is no sign of when the National Assembly will begin functioning normally.

The sense of an economic crisis is far more serious. With the stock price index plunging below the level of 600, the stock market is in a state of panic. Some are already worried about the possibility of our country's economy—which once was called one of the "four young Asian dragons" in allusion to the years of continued growth—turning out to be only a snake under the weight of stagnant exports and the instable prices. In particular, the raging property speculation, the source of unearned income, has accelerated the process of polarizing the social sectors rather than realizing economic democratization, which was the Sixth Republic's paramount task, namely a fair distribution of wealth.

The collapse of order and the violation of laws are now painting our society in darker colors. The rising voices of society's outcasts, an expression of the pent-up resentment grown under the authoritarian rule, has brought down sound authority and, as a result, the reversals of values and backsliding of moral bearings are visible wherever one turns.

When people suffer disadvantage by standing in lines and the scofflaws profit by breaking the laws, law and order are destined to collapse.

The sure signs of a collapsing system are to be seen in the breaches of law and order themselves. Some interpret the mutiny at the Ministry of Construction as a sign of such a degeneration in our system.

Before anything else, the climate of distrust that is raging in our society will be a cancerous growth that will undermine our society. No longer are people inclined to believe what the government says. As long as people do not heed the words of the government, it is impossible to enforce any policy, no matter how good it may be.

We can only lay the blame for such a climate of mistrust on President No, the supreme ruler. He has turned too many promises into empty promises. Few of his big promises, ranging from an interim appraisal of his performance as president to the use of real names in bank transactions and the practice of self-autonomous local government, have been delivered. In a pinch, he would blurt out promises and then usually withdraw them later.

Trust is the backbone of politics. Depending on whether the people have trust in the government or not, society can achieve unity or collapse. Even from now on, he should make as few promises as possible and once he makes them, he should keep them no matter what.

In addition, he should clearly set out his policy goals. With the unraveling of the goals the Sixth Republic claims it has sought from the beginning, people are now uncertain and uneasy as to where they are drifting. No matter how difficult the present situation may appear to them, the people will patiently march toward the future with hope if they are guided with certainty.

Also, President No should demonstrate firmness and resoluteness in his attitude, decisiveness, and even willingness to sacrifice himself. How many opportunities has he allowed to slip away by being indecisive when his decisiveness was most necessary.

He has two and half a years before his term expires and this period can seem long or short, depending on his leadership ability. It is hoped that he will not waste time trying to revise the Constitution with a view toward ensuring his safety after he is retired. It is also hoped that he will recover the losses he has incurred by enforcing politics that provide the people with hope and confidence.

Korea Spends 6 Percent of GNP on Crude Oil

SK2708023890 Seoul YONHAP in English 0207 GMT 27 Aug 90

[Text] Seoul, Aug. 28 (YONHAP)—South Korea spent 6 percent of its gross national product [GNP] on crude oil last year, double the level of Japan, a government source said on Monday.

He said the level is too high and has changed only slightly from 7.7 percent in 1975, shortly after the first oil crisis, 8.5 percent in 1980, during the second crisis, and 6.2 percent in 1985. Japan lowered its level from 6.5 percent in 1975 to 4.9 percent in 1980, 3.1 percent in 1985 and 2.7 percent last year.

The source said the Korean economy is more vulnerable to global oil price hikes than the Japanese economy and praised Japan for its efforts to develop alternative fuels and reform its industrial structure. Korea imported 296 million barrels of crude last year, up 153 percent from 117 million in 1985, while Japan bought 1.288 billion barrels, down from 1.656 billion. Both Japan and Korea import all their oil.

* Disagreement on Economic Forecast Reported

902C0267 Seoul MAEIL KYONGJE SINMUN in Korean 28 Jun 90 p 3

[Article by reporter Pak Kam-muk]

[Text] A two-day interpellation, held on 27-28 June, of the cabinet ministers responsible for economic affairs by the full National Assembly has surfaced in clear detail conflicting views regarding the current state of our nation's economy.

Nearly all the legislators who took the floor—members of the ruling party as well as members of the opposition—expressed pessimistic views not only on the current state of our economy but also on its future outlook; in contrast, the administration's side held fast to its optimistic stand characteristic from the days of the "Cho Sun economic team."

The differences of view, surfaced during the session, applied to almost all aspects of the economy—from the general perception of the current state to such specific issues as the business conditions, the price level, and the real-estate picture.

First of all, with reference to the current state of the economy in general, the lawmakers from both sides of the isle unhesitatingly characterized it as "an overall crisis." All pointing to the sagging exports, the reversal of trade balance from surplus to deficit, the sharp rise in prices, and the widespread speculation involving real estate, they expressed a sense of extreme concern: "When compared to the situation of 2 or 3 years ago, the state of affairs today is truly a shocking development" (words of Assemblyman Yi Tae-sop of the Democratic Liberal Party [DLP]).

The only dissenting view was voiced by Assemblyman Hong Ki-hun of the Party for Peace and Democracy [PPD] who, taking a partisan political stance, indicated his objection to the perceptional characterization of the current economic situation as "an overall crisis." More specifically, he took the line that "the assertion that the nation is in an economic crisis is a fabricated story being spread intentionally by the No Tae-u administration in order to preserve its power."

In the face of these charges by the lawmakers, however, the administration's side did not acquiesce at all. Rather, its whole attitude, which became apparent in no time, was one of even avoiding the use of the phrase "an overall crisis," and the underlying perception of that attitude was wholly manifested in the administration's diagnosis as well as prognosis of specific economic issues.

In connection with the question of business conditions, many lawmakers focused on, and took issue with, the widening trade deficit resulting from sagging exports and the substance of the economic growth during the first quarter of this year. Calling attention to the fact that the trade deficit had reached $3 billion as of the end of May, Assemblyman Sim Chang-ku (DLP) expressed his concern that "the deficit could very well reach the $5.5 billion level by the end of the year as predicted by the Korean Trade Association." With reference to the rate of economic growth (10.3 percent) for the first quarter of the year, Assemblyman Yi Tok-ho (DLP) took issue with the merit of domestic demand-centered growth by saying, "Economic growth has no particular significance when it is not backed up by exports and manufacturing."

Of those questions, the administration's side, too, acknowledged that there was indeed a problem with the substance of the economic growth. It admitted: "The first-quarter phenomenon of the economy growing thanks mainly to service industries and other domestic demands while exports and the manufacturing sector were weakening is a matter that should warrant serious concern" (Deputy Prime Minister Yi Sung-yun).

On the other hand, with respect to the outlook of the trade balance for the current year, the administration presented a more optimistic view. It argued that, although a trade deficit of some $1.5 billion is expected for the first half of the year due to sagging exports, the second half should see a reversal to a surplus of about $1 billion, which "would limit the deficit for the whole year to around $500 million" (Deputy Prime Minister Yi).

The administration's side went even further: It mentioned the possibility of not just balancing the trade but also reverting it to a surplus. In a nutshell, it argued: "If exports rebound, we can achieve equilibrium in trade this year; if this is followed by an expansion of investment in plants and equipment, we can even revert our trade balance to a surplus within 2-3 years."

Of all the issues, it was the anxiety over prices that engendered the most severe clash and hottest exchanges of words between the administration's side holding optimistic views and the lawmakers holding pessimistic views who were pressing hard to pin down the responsibility.

Citing the fact that the Korean Development Institute (KDI) had projected a 12-13 percent increase in prices for the current year, Assemblyman Hwang Song-kyun (DLP) blamed the administration for such price upswing which, he said, "is an inevitable consequence of the administration's having shifted the thrust of economic policies from 'stability first' to 'growth first'."

Next to its alleged shifting of the direction of the basic tone of the economy, the administration's monetary policy was another area that drew a concentrated attack from the lawmakers. An overwhelming majority of the lawmakers took issue with the fact that as of the end of May the total volume of currency in circulation had increased by 23 percent over last year; they wondered aloud as to "whether the administration might have almost totally abandoned its responsibility for currency management."

Additionally, the administration's will to tighten the fiscal affairs was made an object of misgivings on the part of lawmakers. A group of PPD members in the Assembly, including Kim Pong-uk and Pak Hyong-o, demanded that the administration "put off the preparation of a supplementary budget to demonstrate its will for fiscal austerity."

In the face of such an offensive by the lawmakers, the administration's side opened its response cautiously, saying that the administration was "by no means painting a rosy picture of the price outlook." In the same breath, however, Deputy Prime Minister Yi Sung-yun stated emphatically that "the administration has not shifted the basic tone of its economic policies in the direction of growth first." If such a shift had been made, he argued, the administration, when it took the "4 April" action, would have opted for general reflationary measures, which would have included such actions as lowering interest rates and increasing the money supply, instead of a partial reflationary measure which the "4 April" action was.

On the question of money supply, too, Deputy Prime Minister Yi brushed aside the lawmakers' concern with an assertion that "during the second half of the year the administration should be able to bring the growth rate of the total volume of money in circulation down to 19 percent or below." On that basis, the administration's side concluded its response by saying that even if a supplementary budget were prepared it would not necessarily make it impossible to achieve the administration's goal of keeping the rate of price increase for the current year down to 9 percent.

Questions raised by the lawmakers concerning the administration's measure to suppress real-estate speculation—a hot issue in recent times—reflected the lawmakers' perception of the limitations of the "8 May" action taken by the administration. Speaking on the premise that any antispeculation measure that does not guarantee stable housing prices, including the cost of long-term leasing and monthly rental, is far short of a fundamental cure of the problem, the lawmakers pointed out "the possibility that the '8 May' action could prove to be a repeat of the mistake made by the '17 September' measure (Assemblymen Sim Chang-ku and Yi Tok-ho). Also, in reference to the controversy surrounding the recent expansion of the bond-auction system, the lawmakers raised as the points of issue "the policy confusion caused by parochial stands taken by individual components of the administration" (Assemblyman Sin Sang-sik, DLP) and the resulting public distrust in the administration's policies.

This sense of distrust even led to such criticism of extreme nature against the administration as "The administration has helped and fostered the real-estate speculation by large corporations" (Assemblyman Yim Chun-won, PPD).

Despite such criticism, the administration indicated an optimistic outlook on this issue as well. Prime Minister Kang Yong-hun stated that in the wake of the "8 May" action "real-estate prices are becoming stabilized." Deputy Prime Minister Yi painted a rosy picture by saying, "The housing problem will be resolved if the program to build two million houses proceeds as planned."

Ordinarily, the administration's optimistic views on our economy should be a reason for reassurance, not a cause of pessimism. Yet, that there is wariness among the lawmakers about the administration's excessive optimism must be attributed to the still fresh reminder that the Cho Sun economic team, the immediate predecessor of the incumbent team, had repeatedly missed opportunities and caused confusion with its economic policies due to the very same reason—excessive optimism.

Burma

Myo Nyunt Discusses Parliament, 'Disturbances'

BK2808045190 Rangoon Domestic Service in Burmese 1330 GMT 27 Aug 90

[Excerpts] Major General Myo Nyunt, commander of the Yangon [Rangoon] Military Command and chairman of Yangon Division Law and Order Restoration Council, held a meeting on the first floor conference room of the Yangon City Hall at 1230 today and explained the prevailing situation and improvements which need to be made in carrying out duties. The meeting was attended by the chairmen and members of township zone and township law and order restoration councils, responsible officers of the people's police regiments, responsible officials of the Yangon Division People's Police Force, and judges in charge of township zones and townships. [passage omitted]

Addressing the meeting, the commander said: It is essential for those who are carrying out security, administrative, and judiciary duties always to keep themselves informed about the current situation. Only then will they be able to successfully fulfill their assigned duties. My explanation today will be in two parts.

On the first part, Major General Myo Nyunt said explanations of the situation that emerged after the successful multiparty general elections have already been given by the secretary-1 and the secretary-2 of the State Law and Order Restoration Council [SLORC] during their tours in the country as well as at the news conferences. You may notice that while organizations at home are persistently making demands for the quick transfer of power, foreign elements are also interfering in all sorts of ways.

In connection with 8 August 1990 [the second anniversary of mass demonstrations], rumors were spread about the sort of terror they were going to inflict in order to create unrest and disturbances. Since these events did not take place as they had planned, moves are now being made to instigate trouble in September. They warn of incidents on 9, 15, and 18 September 1990 [second anniversary of military coup]. They spread these rumors to cause concern among those who wish to live in peace.

Whatever they say, we will only act according to and be guided by Declaration No. 1/90 of the State Law and Order Restoration Counci regarding the transfer of power. It is essential to clearly understand that we are firm in our stance on Declaration No. 1/90.

Regarding the transfer of power, some local organizations have been citing Chapter II, Paragraph 3 of the People's Assembly Election Law—the Hluttaw [parliament] shall be formed with the Hluttaw representatives who have been elected in accordance with this Law from the Hluttaw constituencies—and demanding the convening of parliament by a certain date.

We shall form the parliament with the representatives elected in elections in accordance with the law. However, it is quite plain that the law does not specify when the parliament should be convened—which is what they are demanding. What those present should understand clearly is that the 60 days that is specifically mentioned in the law is only a time frame for filing election complaints, while the 75 days mentioned in the law is the time limit given to election candidates to clarify their election expenses. These are not time frames for parliament to be convened.

Meanwhile, some organizations are saying that under the 1947 state constitution, the parliament should be convened within a certain time frame. These statements are made either out of ignorance or because the organizations pretend not to know the truth. The fact is the SLORC does not make use of any state constitution and is a military government ruling the country under Martial Law. Hence, there is no need for us to abide by the constitution that they cite. The essence of Declaration No. 1/90 is the transfer of power under a state constitution which is accepted by all the nationals. This is a point we have clarified repeatedly and therefore it will not be explained further.

Article Five of Chapter I of the 1947 Constitution on the organization of the state stipulates that the territories formerly known as the feudal states of Shan State and Wa States are to join th Union of Burma as a member and are to be known as the Shan State. It can be noted that this provision does not use the term Wa national, but uses Wa State and maps include Northern Wa State and Southern Wa State. Some are pointing to this provision in demanding a right to statehood [for Wa]. This is just one example, and there are many similar problems. An interim constitution will not be able to resolve these problems. This being the case, we have to be firm about the fact that we need a constitution that is acceptable to all nationals. The Defense Services will not permit the disintegration of the Union that has been built through the sacrifices of all nationals. Hence, we have prescribed the three main tasks that should always be implemented.

Protection of the three main tasks does not lie only with the Defense Services but also with all the people. This is something we must always remember. In order to promote the three main tasks, we have erected billboards on these tasks at schools and offices. Due to instigation by some politicians who only think of grabbing power and care little about what happens to the country, some students who became intoxicated with politics have pulled down these billboards an destroyed them. You have no doubt heard about the news.

Politics is something that concerns the whole country and all the people, it appears that the three main tasks that concern the whole nation—to prevent the disintegration of the Union, to prevent national unity from disintegrating, and to perpetuate the sovereignty—do not concern them. Perhaps, we can presume that the politicians who are pulling the strings from behind will ignore these three tasks when they come into power. [passage omitted]

It is indeed very sad to note that some students who may be useful to the nation in the future are being used by politicians. Therefore, please tell your children, relatives, and th youths near you to avoid being used by politicians. We notice traces of BCP [Burma Communist Party] underground elements in these attempts to create disturbances. Though weak, the BCP has not given up and, as declared openly, will be waging a protracted struggle. It is essential to be always alert to their underground activities whenever these attempts occur. The BCP's strategy of forming a united front, instigating mass uprisings and making arrangements to create unrest are all done through their hardcore elements. They try to gather crowds, agitate these crowds, and create martyrs so that disturbances finally break out.

We will not allow any such disturbances to take place; necessary measures have been taken. Those in charge of security are urged to show courage in facing and resolving disturbances that may arise in the same way they tackled previous disturbances.

Continuing, the commander said greedy traders who only consider their own interests are instigating disturbances by spreading all kinds of rumors. He said everyone knows our country is currently pursuing an open-door policy. However, instead of competing honestly among themselves, they resort to unscrupulous means of spreading rumors, which creates increasing anxiety among the general public. [passage omitted] For instance, they took advantage when we revised the fuel distribution and immediately spread rumors. At the slightest opportunity, the unscrupulous people are bound to create problems for us and create disturbances. He said we should study their modus operandi and take preventive measures.

Next, the commander spoke on the second part, that of improvements in discharging duties. He said we had to intervene to take control and assumed responsibility as the complicated situation demanded [in September 1988]. He said he would like to remind those discharging state responsibilities at different levels to differentiate between power and responsibility. He said there have been reports of cases of irresponsibility where some became infatuated with power after they had been given power and forgot about their responsibility. [passage omitted] He said he would like to remind them to learn from the past lessons and reform their words, deeds, and conduct. [passage omitted]

Continuing, the commander said leaders of the People's Police Force should strive to excel in their conduct and teach their subordinates good conduct. He urged them to act and delegate authority according to the law. There have been cases in which action was taken against those who incorrectly assign duties to their subordinates or who took action just to save themselves, and these things should not have happened. [passage omitted]

He urged judges attending judicial cases in township zones and townships to make decisions correctly and bravely. He said he is giving these warnings in advance so there will be no need to take action against colleagues in the future. He said he would like to instruct responsible authorities to ensure that the People's Police Force provide full security to factories and mills under their jurisdiction. He explained those against whom action has been taken should stop creating problems. He said it is necessary to discharge duty conscientiously and that they could get into trouble if they forget to perform their duty.

In conclusion, the commander said he had already explained instigations and writings to create disturbances with the sole purpose of obtaining power. He said it is necessary to appreciate the danger of these instigations which amount to an invitation to foreigners to enslave us. It is sad to know comrades who once fought for the country's independence are among them. The important issue today is drafting a lasting state constitution which should be drafted with the country's future in mind. The entire nation should be aware that if there is no unity among us, we will once again become slaves. It is clear there are those who are ready to become slaves. [passage omitted] It is a historic duty for all of us to protect the race, language and religion, to prevent the recurrence of enslavement, and to save our nation from abuse. We must be prepared to face all kinds of dangers with sacrifice and courage. He said he would like them to face the danger bravely if it arises and urge their subordinates to be prepared to face possible danger. The meeting ended at 1410.

Information Committee Holds 103d News Conference

BK2508143090 Rangoon Domestic Service in Burmese 1330 GMT 24 Aug 90

[Excerpts] The Information Committee of the State Law and Order Restoration Council [SLORC] held its 103d news conference with local and foreign journalists at 1300 today in the reception hall of the Ministry of Defense. [passage omitted]

First, explaining reports on incidents of 8 August 1990 in Mandalay, the Information Committee said the National League for Democracy [NLD] has been distributing among the public in Yangon [Rangoon] and Mandalay documents on special meeting 2/90 of the NLD on disturbances which occurred recently in Mandalay. One of the documents carries a report on the 2/90 meeting attended by the NLD assembly representatives in Mandalay Division and township organizational officers and a letter to the SLORC chairman signed by 41 members.

The letter implied security forces used force unlawfully in controlling disturbances which occurred in Mandalay on 8 August 1990 and hinted there was bloodshed among monks and students. Another letter with similar contents was from U Tin Shwe of Monywa, NLD organizational officer for Mandalay Division, addressed to the chairman of Mandalay Division Law and Order Restoration Council. Another letter containing similar implications and bearing signatures of 48 members was from the NLD in Mandalay Northeast township addressed to the chairman of Mandalay Division Law and Order Restoration Council. Another letter was from the divisional youth wing of the NLD in Mandalay. These documents are being widely circulated in Yangon and Mandalay. A total of 51 persons, including seven members of NLD Organizational Committee for Mandalay Division and persons responsible for publication and signatures, were called in for interrogation by authorities concerned at the Office of Mandalay Division Law and Order Restoration Council in connection with the groundless reports contained in the documents.

According to interrogations, the signatory, Monywa U Tin Shwe, was not present in Mandalay at the scene of the incidents on 8 August 1990 and that he signed the document based on the accounts given by other members and circulated the document after submitting it to the meeting. Similarly, signatories from the Northeast township also admitted that they did not personally witness the incidents and that they did not personally see those who were killed or injured. A remarkable point is that among the signatories, U Sein Win, did not attend the meeting of the NLD Mandalay Northeast township organization committee and that he said the signature on the document was not his.

The Information Committee explained that true reports on the incidents in Mandalay had been carried by the newspapers. He said that three members of the security forces and a monk were injured during the disturbances in Mandalay and that one student injured himself when he smashed his hand into some glass at school. However, the Information Committee said foreign radio stations are still carrying fabricated reports and provocations and now the NLD is making fabrications and carrying out provocations. The Information Committee said it wondered whether they are heading toward disturbances in the country.

The Information Committee said it noted that there are two versions of the NLD newsletters on news conference no. 8 in Yangon and that both versions carried the name of Secretary U Chit Khaing who has the right to distribution. When U Chit Khaing was interrogated he said the version which stated on its cover the SLORC Statement 1/90 was totally unacceptable. He said the caption—which says: I cannot follow you, darling; it is about time Daw Aung San Suu Kyi should be released—was published without his knowledge. So it was learned that it was published without the knowledge of U Chit Khaing. He said the newsletter carrying a cartoon resembling an abstract painting was published by the NLD. The Information Committee noted the contents inside were the same, but the covers differed. The committee wondered whether another version was printed by another faction which U Chit Khaing did not know in order to make a financial profit from the sale of the documents or whether it could be interpreted as provocations by presenting the policies of that party.

Furthermore, there is a book entitled Thakin Aung Gyi's Unfinished Democracy (?Bomb) allegedly published by the Union Nationalities Development Party [UNDP] which is in wide circulation in Yangon. According to the explanation given by the UNDP, the book was not published by that party and that the supposed interview between U Aung Gyi and correspondent (Richard Moller) of the FAR EASTERN ECONOMIC REVIEW journal did not take place. Similarly, the National Unity Party [NUP] has complained that the book entitled Why the National Unity Party Lost was not written by the said party and has asked to take action. The case has been opened. The NUP has said the book was published by some unscrupulous persons without their permission.

The committee said such political demands and plots against us by publishing documents in Mandalay and Yangon are not appropriate and that it is not the time for such political demands and plots. The SLORC is not an organization which will keep power in its hands for a long time. It is known to the journalists and it has been repeatedly explained that the SLORC is a military institution which will carry out reforms in the state stage by stage according to rules, regulations, and laws.

Next, the Information Committee explained an unusual development in an embassy, saying during the 102d news conference held on 10 August 1990 editor U Kyaw Min of the Foreign News Section of News Agency Myanmar [Burma] asked to confirm a report on two people who entered an embassy in Yangon and asked to meet with the proper authorities, and that the two persons have been kept under guard and are being well looked after by the embassy. At that time the Information Committee answered that it did not know about the matter and added that if the report is true, the embassy concerned should advise the host government of the matter according to the provisions of the Vienna Convention on International Law and Diplomatic Code. According to the information received today, the report U Kyaw Min heard is correct, and it was a true event.

We have learned that a major embassy in Yangon has secretly given refuge to two people whose race and names are not known and that these two people are well cared for. [passage omitted] The government upholds its honor and observes regulations that should be respected by both sides in its relations with embassies in our country. Therefore, the relations with most embassies in Myanmar are good, and there is mutual respect and friendship.

However, there are three or four embassies which, in disregard of the prestige of our country and government, are engaging in activities that do not befit their stature. These embassies are violating diplomatic code and are not respecting International Law. However, we have been restrained in our statements. [passage omitted]

Similarly, we are aware that some embassies are carrying out provocations and giving encouragement to various strata of society such as to students, politicians, and nationalities parties to create disturbances and unrest in the country. Some embassies are even employing intelligence agencies from their countries and are giving cash and goods to their internal minions who have been nurtured as informants. As journalists know, these embassies are resorting to various means to create disturbances in the country and are sending false information to foreign radio stations. We believe veteran journalists should expose these unscrupulous activities of some embassies. [passage omitted]

Next, speaking on the need for political parties to operate correctly, the Information Committee said the journalists have probably heard the rumor which said the SLORC has formed the military council. The committee explained that the SLORC—the Defense Services—is in effect a military council since it has been a military government from the time it assumed state responsibility. The rumors said the SLORC has now formed the military council to continue to rule. In response to this, we would like to reiterate that the SLORC is the Defense Services and that there is no reason to form the military council, as the SLORC had been formed on 18 December [month as heard] 1988. There should be no confusion on the matter. [passage omitted]

The SLORC will continue to assume state responsibilities according to law until the emergence of a government under a constitution accepted by all national people. The SLORC has not done anything contrary to law. Despite this, there have been provocations to demand that a date be set for convening the Assembly. Those making these demands and carrying out provocations should be aware of what kind of government our government is. Our SLORC government is a military government which assumed state responsibility as dictated by history in order to prevent disintegration of the country. As soon as the military government came to power, former state constitutions ceased to be in force. Therefore, we would like to ask some organizations demanding the date for convening the Assembly which constitution they are using in making such a demand. It can only be concluded that they want to create disturbances in the country in making such demands as they are well aware that the current government is ruling by martial law and previous constitutions have ceased to be in force. [passage omitted]

The news conference ended at 1430.

Cambodia

Chea Soth Receives Outgoing Soviet Ambassador

BK2708030190 Phnom Penh Domestic Service in Cambodian 1300 GMT 26 Aug 90

[Text] On the morning of 24 August at the office of the Council of Ministers, Comrade Chea Soth, member of the party Central Committee Political Bureau and vice chairman of the State of Cambodia's Council of Ministers, received Comrade Rashit Khamidulin, ambassador extraordinary and plenipotentiary of the USSR to Cambodia, at the end of his mission to the country.

On this occasion, Comrade Chea Soth highly appreciated the efforts of the comrade ambassador in carrying out his mission in Cambodia and for achieving fine results in diplomacy and other sectors. Replying, Comrade Rashit Khamidulin thanked the State of Cambodia's party and state for paying attention to creating conditions for the success of his diplomatic mission in Cambodia.

Tie Banh, Delegation Visit Cadres 17-19 Aug

BK2508144590 Phnom Penh Domestic Service in Cambodian 1200 GMT 25 Aug 90

[Text] Between 17 and 19 August, a party-state delegation led by Comrade General Tie Banh, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and defense minister, paid a working tour and visited cadres and combatants in the 4th and 5th Military Regions.

During the tour in the 4th Military Region, the delegation visited cadres and combatants in Siem Reap-Oddar Meanchey Province. The delegation expressed best regards to and wholehearted commendation to our cadres and combatants who have strived to surmount obstacles and carried out their tasks well, thus bringing successes for our party and people.

On that occasion, Comrade General Tie Banh exhorted all cadres and combatants in the 4th Military Region to pay attention to firmly defending their positions, studying political and military tactics, and striving to build their forces, trenches, and blockades in order to firmly defend their positions.

The delegation also distributed gifts making up of consumer goods to our cadres and combatants.

The delegation later went to the 5th Military Region where Comrade Major General Hul Savoan, commander of the 5th Military Region, reported on the situation and the brilliant results of work carried out by cadres and combatants throughout the region. Comrade General Tie Banh commended cadres and combatants of the 5th Military Region for their achievements made by striving to surmount all complex difficulties and obstacles for the cause of our glorious land of Angkor and their beloved people.

Comrade General Tie Banh also visited cadres and combatants of the 5th Military Region's Technical Department in Battambang Province.

Wherever it went, the party-state delegation led by Comrade General Tie Banh praised and highly valued the feats made by our cadres and combatants. Comrade General Tie Banh also exhorted all of them to pay greater attention to the combat task and combat readiness in order to achieve greater and final victories in the near future.

Sar Kheng Conducts Mission to Kompong Chhnang

BK2708152790 Phnom Penh Domestic Service in Cambodian 1300 GMT 27 Aug 90

[Text] Comrade Sar Kheng, member of the party Central Committee Political Bureau, chef de cabinet of the party Central Committee, and chairman of the party Central Committee's Organization Commission, conducted a fact-finding mission to Kompong Chhnang Province from 23 to 26 August in order to review the situation and development there.

During his stay in the province, the comrade listened to a report summing up the implementation of the tasks in all fields by the province during the first eight months of the year. He extolled the local cadres, staff, workers, people, and Armed Forces for their active involvement in bringing to immense success the tasks and objectives defined by the party Central Committee.

Comrade Sar Kheng also disseminated the significance of the resolutions adopted at the 11th session of the fifth Kampuchean People's Revolutionary Party [KPRP] Central Committee to the members of the party committees and people's committees in the province and districts, as well as cadres and core party members from offices, services, and Armed Forces in the province.

The comrade urged all the cadres and party members to continue paying attention to more zealously carrying out the resolutions adopted by the Second National Conference of Cadres and the ninth, 10th, and 11th sessions of the fifth party Central Committee in the spirit of assuming themselves all the tasks in this present stage. In particular, they should actively promote the spirit: Everything for the frontline battlefield and everything for increasing the people's confidence in the leadership of the KPRP.

Comrade Sar Kheng also participated in offering alms to Buddhist monks at Thamayut Monastery in Kompong Chhnang town and donated 50,000 riel toward rebuilding the temple which was completely destroyed by the Pol Pot regime during its nearly-four-year heyday.

AFP on Battle for Control of Central Areas

BK2808073290 Hong Kong AFP in English 0708 GMT 28 Aug 90

[By Jean-Claude Chapon]

[Text] Kompong Thom, Cambodia, Aug 28 (AFP)—Phnom Penh troops and anti-government forces are waging a bitter battle over this central Cambodian region, whose control could be a key element in the future of Cambodia, officials here said.

Phnom Penh has been struggling to regain the upper hand it lost in April, when resistance guerrillas launched their first serious attacks in the area, the officials said. Government troops fought for several hours Thursday with about 300 rebel troops in Stoung, a strategically important crossroads town 50 kilometers (31 miles) west of here on Highway 6, which links this provincial capital with Siem Reap, in the northwest. It was the third guerrilla attack in as many months against Stoung, and Kompong Thom itself came under attack in June.

"There are two cities that our enemies want to seize in order to isolate Phnom Penh: Kompong Thom, to the north (of the capital) and Kompong Speu, in the southwest," provincial governor Khieu Horl said in an interview. The governor said that by seizing these cities, troops of the tripartite resistance coalition also wanted to demonstrate that they are capable of taking and holding towns in regions other than those near the Thai border.

The guerrillas operate from refugee camps just inside Thailand, and their major military operations and areas of control were restricted to border areas until Vietnam withdrew its troops from Cambodia in September 1989, ending a 10-year occupation of this country.

"The opposition has concentrated close to 3,000 men in the province," the governor said. "Most of them are Khmer Rouge under Commandant Chhan, who is the brother-in-law of the opposition government's defense minister, Son Sen."

The three factions of the resistance are mounting joint attacks in the region, Mr. Horl said, "even if they do not always see eye to eye." He refused to reveal what Phnom Penh's troops strength in the area was.

The Khmer Rouge—whose top leader Pol Pot hails from Kompong Thom—is the major component of the tripartite resistance coalition fighting the Vietnamese-installed Phnom Penh government. The other two factions are the non-communist followers of former ruler Prince Norodom Sihanouk and of ex-premier Son Sann.

To regain the upper hand in the field after military setbacks in April and June, Phnom Penh has replaced large numbers of military and political officials in Kompong Thom Province. Among them is a new provincial secretary for the ruling Cambodian Communist Party, Chieng Am, a hardliner who became prominent as a member of the leadership of the armed forces' political department.

"The military situation is our major worry now," the governor said. "We are trying to drive the rebels away from their main operational bases in the jungle, about 50 km (31 miles) from Kompong Thom city."

Major reinforcements, including elite Interior Ministry troops, continue to flow into this region, 70 per cent of which is covered by jungles in which the guerrillas operate freely.

"The (Phnom Penh) army is still slow in its movements and in its operational capability, which explains the pinpoint victories of the oppsosition," a Soviet military expert said recently in Phnom Penh. "But it is becoming more and more operational and it will hold the region," predicted the expert from Moscow, which is the main arms supplier of the Phnom Penh government.

Phnom Penh Troops Reportedly Attack Battambang

BK2708013790 Bangkok BANGKOK POST in English 27 Aug 90 p 4

[Text] Vietnamese and Phnom Penh troops, backed by Soviet-made tanks and multi-rocket launchers, staged a three-pronged large-scale attack on three key resistance positions in Battambang Province on Saturday, according to Ok Serei Sopheak, a spokesman of the Khmer People's National Armed Forces (KPNLAF) High Command. He said the attack took place on Saturday morning about 6.15 a.m.

KPNLAF mobile defence lines faced the attack from the south along Route 5 linking Sisophon with Poipet.

"Enemy forces launched simultaneous attacks against the KPNLAF OZ6 and OZ2 from three positions from Sala Kraham, Nimit and Sophi from the west and northwest of Sisophon. The second coordinated attack came from Svay Chek, Ta Ben and Kamnap. The enemy attacked the KPNLAF 1st Brigade and were able to overrun Baray, located seven kilometres southeast of Svay Chek, at about 7.30 a.m.," he said. But about 10.30 a.m., KPNLAF forces fought back to recover lost ground in Baray, he said.

The KPNLAF faced its third attack from Phnum Srok, in which Phnom Penh troops attacked from Ta Vong 27 kilometers southeast of Thmar Puuk, but retreated after running into stiff resistance.

Resistance Reportedly Occupies More Positions

BK2708075190 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 27 Aug 90

[Text] According to the General Staff of the Khmer People's National Liberation Army [KPNLA], freedom fighters of the KPNLA General Staff's 807th mobile regiment in the 2d operational zone on 19 August cooperated with National Army of Independent Cambodia combatants in raiding Vietnamese-Heng Samrin enemy positions at Koul and Pralai Communes in Stoung District, Kompong Thom Province, and Thnal Village of Lveng Russei Commune in Chikreng District, Siem Reap Province. The attacks forced the enemy troops to beat a hasty retreat, allowing the two noncommunist forces to completely occupy the positions.

VONADK Notes Cooperation in Kampot 20 Aug

BK2808014490 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 27 Aug 90

[Excerpt] With our people informing, leading, and providing all kinds of assistance, our people's solidarity forces and our national resistance forces on 20 August attacked and destroyed an A-3 company position of the Vietnamese enemy and traitors Hun Sen and Heng Samrin, lackeys of the Vietnamese enemy aggressors, guarding the Prek Thnaot bridge in Kampot District, Kampot Province.

In the battle, our people and our Cambodian national resistance forces killed three soldiers of the Vietnamese enemy and Hun Sen-Heng Samrin puppets on the spot and wounded five others. We liberated three villages: Chamka Kaosu, Prek Thnaot, and Prek Kraeng in Prek Thnaot Commune. [passage omitted]

Indonesia

Suharto Holds Talks With Lee Kuan Yew 28 Aug

BK2808093590 Jakarta ANTARA in English 0748 GMT 28 Aug 90

[Text] Batam (Riau), Aug 28 (OANA/ANTARA)—Singaporean Prime Minister Lee Kuan Yew arrived here on Tuesday morning to have a tete-a-tete discussion with President Suharto, believed to be focused on matters concerning bilateral, regional and international issues as well.

PM [Prime Minister] Lee and party arrived at the Hang Nadim airport here on a Singapore Air Force Skyvan light aircraft at 10.00 Western Indonesia Time [0300 GMT], moments after the arrival of President Suharto and Mme. Tien Suharto from Jakarta. The head of state and Mme. Tien Suharto and a number of Cabinet ministers greeted the Singaporean leader and party under drizzling rain.

The two leaders were then whisked from the airport to the Muka Kuning area where they were scheduled to lay the last foundation stones of the Batam industrial park, built under a joint investment between Indonesian and Singaporean private sectors.

After the ceremony, the two leaders witnessed the signing of two economic cooperation agreements between Indonesia and Singapore, namely the Riau agreement and the investment guarantee agreement. The signing of the two agreements was done by Coordinating Minister for Economy, Finance and Industry Radius Prawiro for the Indonesian Government, and by Singapore's Minister of Trade and Industry Lee Hsien Loong.

After the ceremony, President Suharto and Prime Minister Lee drove to Hotel Turi to begin their tete-a-tete.

What was exactly discussed in the face to face meeting, which was slated to last for one hour, was still unknown but it was expected to touch on the current regional and international political situation in addition to the bilateral relations of the two countries.

As their talks went on, Mme. Tien Suharto and Mrs. Lee Kuan Yew watched a cultural show at the hotel.

After the talks, Lee and President Suharto were scheduled to observe a display on Batam island's development at the hotel's lobby.

The president, after seeing Lee off at the airport, was scheduled to visit Bulan island near Batam on an Indonesian Air Force Puma helicopter to have a look at an orchid garden and a pig farm which were being developed there.

The president was further scheduled to return to Jakarta Tuesday afternoon on a BAE-146 aircraft of Pelita Air Service from Hang Nadim airport.

Joining the president's party in the visit to Batam were among others Foreign Minister Ali Alatas, Minister for Research and Technology B.J. Habibie, Minister of Trade Arifin Siregar, Junior Minister/Cabinet Secretary Saadilah Mursyid, Armed Forces Commander General Try Sutrisno and two daughters of the president, Mrs. Siti Hardiyanti Rukmana and Mrs. Hediati Prabowo.

Private Sector Role in Communications Urged

BK2508091590 Jakarta ANTARA in English 0658 GMT 25 Aug 90

[Text] Jakarta, Aug 25 (OANA-ANTARA)—President Suharto has called on the private business sector to take part in providing telecommunications facilities because the government's financial capability for this purpose is limited. The president made the call in Wonosari, Gunung Kidul (Yogyakarta) when he symbolically commissioned newly-built central telephone exchanges in 30 cities located in 15 provinces in Indonesia Saturday.

The construction of telecommunications facilities throughout the country needs a very great amount of money and the government cannot provide the money alone, the president said. Private business participation in this matter will help quicken and smoothen development in the telecommunications sector, he added.

In the last 14 years, he said, with the existence of the Palapa communications satellite, telecommunications activities have expanded rapidly in the country. These activities have in turn helped make the whole area of the Indonesian Archipelago one national unit. This is a sign of progress in national development. But, the president said, there is more need for more telecommunications facilities.

President Suharto reminded that in the next two or three years, the implementation of the development program would go faster than now. The situation in this development period is indeed different from the situation during the freedom struggle. But, there are a lot things that we could learn from the independence struggle period in the interest of the current development, he said. Firm determination, enthusiasm and never give up attitude were among lessons that should be taken from the independence struggle period, the head of state said.

After the opening ceremony, President Suharto toured the exhibition hall and had a dialogue with the audience.

Laos

Paper Expresses 'Concern' Over Gulf Conflict

BK2708124190 Vientiane Domestic Service in Lao 0500 GMT 27 Aug 90

[Undated PASASON article: "The Situation in the Persian Gulf Has Caused More Concern to the World People With Every Passing Day"]

[Text] Dear listeners: At present, many countries all over the world are gravely concerned with the current developments in the Persian Gulf. The situation there has become more confusing after Iraq deployed its force to invade and occupy Kuwait and the United States and many other countries sent their Armed Forces into the area, claiming that they would set up an economic blockade against Iraq in accordance with a trade embargo resolution adopted by the UN Security Council. However, it appears that the massing of forces in the region has caused the situation there to deteriorate more with every passing day. Iraq's proposal to negotiate has not been appropriately reciprocated. The issue of foreigners in Kuwait and Iraq has also become scandalous in various ways.

At present, everyone who is closely following the situation in the Persian Gulf hopes that the conflict will be resolved through peaceful means and that the Gulf crisis will be settled by the Arab people within the Arab scope. The question of foreigners is a humanitarian matter which must be settled through humanitarian measures aimed at ensuring their safety and must be compatible with international law. On this question, Iraq has already assured many countries of the safety of all foreigners.

The urgent issue in the Middle East at present involves a call by politicians and observers in many countries for the United States not to link the use of force with the trade embargo against Iraq, for Iraq to withdraw its Armed Forces from Kuwait, and for all parties concerned to resolve this grave problem through peaceful means rather than through the use of force.

Investment Agreement Signed With Thailand

BK2808104390 Vientiane KPL in English 0919 GMT 28 Aug 90

[Text] Vientiane, August 28 (KPL)—An agreement for the promotion and protection of Lao-Thai investment was signed in Bangkok on August 27, 1990.

Signatories of the document, according to a press release, were Lao Deputy Foreign Minister Thongloun Sisoulit and Thai Deputy Foreign Minister Praphat Limpaphan.

The agreement was realised based on the spirit of good neighbourliness. It indicated that each government will support and promote investments made by its nationals in the other country and will provide protection to them according to the recipient's laws and provisions of the contracts.

The agreement will come into effect from the date it is ratified.

Luang Namtha Province Reports Trade With PRC

BK2608125290 Vientiane Domestic Service in Lao 1200 GMT 26 Aug 90

[Text] The head of economic, planning, and finance service of Luang Namtha Province reported that the province exported goods with a total value of 489 million kip to the PRC during the first half of this year. Wood products covered 74.82 percent of the value of goods exported to China which included agricultural products and metal scraps. The value of imports from China, [words indistinct] and consumer goods, during the same period was recorded at over 878 million kip. He also said that the import and export values have declined because the exchange of goods was made only along the border area and some people even used cash to purchase goods inside China. Besides, no efforts have been made to encourage local farmers to produce goods for export.

Phoun Sipaseut Receives Outgoing GDR Envoy

BK2508095590 Vientiane Domestic Service in Lao 0000 GMT 25 Aug 90

[Text] Phoun Sipaseut, vice chairman of the Council of Ministers and minister of foreign affairs of the Lao People's Democratic Republic [LPDR], yesterday afternoon received a farewell call from Guenter Horn, ambassador extraordinary and plenipotentiary of the GDR to Laos, prior to his departure for home after completing his tenure of diplomatic service in Laos.

On this occasion, Phoun Sipaseut informed the GDR ambassador of certain problems concerning the change in the economic field in the new stage as effected by Laos on the basis of the objective reality and in conformity with the practical conditions of the country. He said that the LPDR will still have to face difficulties in building and expanding the economic establishments from the point of being a subsistence economy in advance to a goods-oriented economy.

The guest and the host also talked about other issues in a warm atmosphere of friendship. Guenter Horn has assumed the post of ambassador extraordinary and plenipotentiary of the GDR to the LPDR since 18 July 1989.

Philippines

Further Reportage on Effects of Gulf Situation

Embassy, Workers Discussed

HK2808101390 Manila MANILA BULLETIN in English 26 Aug 90 p 1, 17—FOR OFFICIAL USE ONLY

[By Marcia C. Rodriguez]

[Excerpts] The Philippine government maintained yesterday that it does not recognize Iraq's annexation of Kuwait although its embassy in Kuwait has closed on orders of the Iraqi government and is now carrying on diplomatic activities from Baghdad.

Presidential spokesman Adolf Azcuna said, "Iraq has ordered all foreign embassies in Kuwait closed and while we do not in any way recongize the annexation of Kuwait by Iraq, we are operating from Baghdad because of the physical constraints of embassies being physically closed in Kuwait. So we are doing our diplomatic activities from the embassy in Iraq," Azcuna said.

Asked whether Iraq has agreed to keep Philippine embassy personnel in Kuwait, he said it has not because "Iraq's position is that all foreign embassies in Kuwait are closed. They want them all to recognize that so that they have physically, practically closed these embassies." [passage omitted]

Azcuna said the government is working with other countries to seek exemption from a UN resolution imposing economic sanctions on Iraq because of difficulties in getting to Filipino overseas workers. Only a small percentage of some 60,000 Filipino workers from Kuwait have returned to the country.

Azcuna said that some of the Filipinos who have sought refuge in the Philippine embassy in Kuwait have been moved to Baghdad. They, however, faced a problem on how to get out of the Middle East as Jordan has reportedly closed its borders with Iraq. [passage omitted]

Manglapus Secures Iran Oil Deal

HK2708094790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 27 Aug 90

[By Rey Arquiza from the Department of Foreign Affairs—live or recorded]

[Text] The Department of Foreign Affairs reported today that the government of Iran has agreed to increase oil output, to add 20,000 barrels of oil per day, to the 40,000 barrels that come out of Iran every day [as heard]. Acting Foreign Affairs Secretary Pablo Suarez said that Foreign Affairs Secretary Raul Manglapus has secured the agreement of the Iranian government to supply the Philippines with 60,000 barrels of oil per day.

Suarez also said that the Iranian government agreed to provide employment to Filipino workers displaced by the Iraq-Kuwait crisis. He added that Iran is interested in employing skilled Filipino workers, especially those in the medical profession.

Suarez further reported that Manglapus and Undersecretary Manuel Yan obtained Iran's consent to open its border with Iraq and allow it to be used as an alternative route for Filipino workers fleeing Kuwait and Iraq, in view of the closure of the Kuwait-Saudi border by Saudi Arabia. The remaining route for evacuating Filipino workers is Baghdad-Amman. Suarez said Filipino workers may now leave Kuwait and proceed to Basrah, the Iraqi port on the Persian Gulf which is some 200 kilometers away from Hamadan, Iran. From Hamadan, the workers can board planes bound for the Philippines.

Suarez also said that from Iran, Manglapus and Yan will head for Amman, Jordan, where they will meet with Jordanian authorities. Then Manglapus will go to Baghdad. However, Suarez said it was still uncertain whether Manglapus' entourage can go to Kuwait.

According to Suarez, the Philippine embassy in Kuwait will function as a private office and not as a diplomatic mission [as heard] in order to look after the safety of Filipinos in the area. He said that some 7,000 Filipino workers are currently housed in the Philippine embassy in Kuwait.

Manglapus Bound for Iraq

HK2808091390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 28 Aug 90

[Text] Foreign Affairs Secretary Raul Manglapus is expected to meet with Iraqi officials in Baghdad today to discuss the fate of Filipino workers stranded in Kuwait. Some 40,000 Filipinos are believed to be still in Kuwait as their evacuation was suspended following Jordan's closure of its border with Iraq.

Yesterday, Foreign Affairs Secretary Manglapus met with officials of the Iranian government in Iran, where he secured their approval to open Iran's borders to Filipinos coming from Kuwait. However, Iran stressed that this was only possible with the permission of Iraq.

Manglapus is bound for Iraq from Jordan today, where he will discuss the evacuation of Filipinos in Kuwait via Iran.

Threats of Coup Attempt, Bombings Continue

Aquino Rejects Demand

HK2808091590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 28 Aug 90

[By Dick Sinchongco from Malacanang Palace—live or recorded]

[Text] President Corazon Aquino firmly rejected the latest demand by RAM [Reform the Armed Forces Movement] rebels that she resign from office. She also condemned the threats and demands by the group, led by fugitive ex-Colonel Gregorio Honasan, describing threats from the rebels and traitors as an insult to the nation and to the democratic institutions of the country. She stressed that the people should condemn these actions.

This was the president's reaction to a RAM statement marking the third anniversary of one of the bloodiest coup attempts against the Aquino administration. In the statement, RAM again demanded the resignation of the president and her cabinet and the holding of snap elections.

Ramos, De Villa Interviewed

HK2408124090 Quezon City GMA-7 Radio-Television Arts Network in English 1430 GMT 23 Aug 90

[Interview with Defense Secretary Fidel V. Ramos and Armed Forces of the Philippines (AFP) Chief of Staff General Renato de Villa by host Jose Mari Velez on "Velez This Week" program; place and date not given—live or recorded, italicized portions in Tagalog]

[Text] [Velez] Good evening. We are a nation caught in the midst of a looming global war and yet we teeter on the brink of our own war, perhaps, against our very own. The rumors of a coup have been pervasive enough since July, since that incident between the military and the NBI [National Bureau of Investigation]. But some people believe that it might have been put to a halt because of the earthquake. For the coup plotters, it may be the best of times, but for the nation and our people, this is certainly the worst of times. We're still reeling from the effects of the earthquake, the devastation, or the ruins and the effects of the December coup. And now the Middle East has erupted into a crisis and already there have been mortal blows to our economy, and the potential for even greater damage still exists.

Is this then the congruence of events, positions, and developments that many have feared might be taken advantage of by those who seek to overthrow the government.

We are not trying to alarm you, but suddenly the actuations of some of our officials have not helped any because Congress, as you know, has already adjourned, abruptly you might add. Or even a senator was caught surprised by the adjournment by the Senate. The House itself had adjourned two days before, in direct relation to and as a consequence of the so-called coming coup. Of course, you know about the tanks and the APC's [Armored Personnel Carriers] which have been displayed and the thousands of combat soldiers which are now deployed in the various camps. The Presidential Security Group [PSG] is already on what they call Death Call Two, which I understand is one of the highest status of alert. And so, with all of these, and the bombings which have been going on in Metro Manila, have not helped any. So we have a citizenry that is now seeking some answers. I might add, a citizenry that is feeling quite frustrated, if not exasperated in the light of all of these and what to do.

We have invited, and we're very happy, that we have the two gentlemen who have been, and will be, in the frontline in the event of any such coup or any other terroristic event that might happen. They will be with us tonight to share and give us some of the answers.

Ladies and gentlemen, we have the secretary of defense, Fidel Ramos, and the Chief of Staff of the Armed Forces of the Philippines, General Renato de Villa.

Gentlemen, I know how busy you are and we thank you for honoring our invitation. After this short break, we will come right back with our guests. [commercial break]

[Velez] Secretary Ramos, I will phrase my question in this manner. When I speak of a coup, I refer to the August '87, the December coup type where we've had some experience. Now, that kind of a coup, how serious is the present coup threat and how imminent is it?

[Ramos] Well, it is not imminent as far as I see it but it is serious enough, although not as serious as our '87 and December '89. It is also a little different from the previous coups in that the plotters are apparently now taking advantage of the so-called [words indistinct] events have stressed the psychological or propaganda part of it. Which is a combination of output that is placed in the hands of media as well as others, synchronized with bombs that are thrown here and there. Now, the situation that is outside, which is beyond our control has provided them with opportunity to carry out something new. Something new as compared to the other attempts in the sense not only of this longer period of preparation for them but also in terms of their targets.

[Velez] This something new, Mr Secretary. You say longer preparations. Are we about at the end of their preparation or at the beginning of this bombing that we are seeing now? At what stage are we in?

[Ramos] It is hard to tell. It is hard to tell. Maybe in the course of our discussion tonight, we can come up with some assessments which would be more valid than my answering. But let me just mention at the very outset that the people need not be alarmed by the bombing attacks unduly. I think that the public has a very big instant role to play to help themselves as well as to help the government. In that way, the government can also be very much more effective. And I am referring to a greater degree of vigilance, a greater concern for the neighborhood as well as to find better ways to report unusual events to the authorities.

For their part, we who are in government such as the defense establishment and in the military establishment have moved around to inform various sectors of the public through media as well as through face-to-face dialogue just to remind people that we have undergone much more serious things—although this is serious enough—and we did that by our teamwork and our collaboration. The December '89 failed coup attempt was a much more serious thing in terms of actual physical force and the loss of lives and damage to property was concerned. And that one we overcame through the collaboration and very productive teamwork that existed between the military, the civil side of government, and the concerned citizens. And I do not see why we cannot overcome this second difficulty—which is a little bit different from the previous ones—through that same formula of civilian military cooperation with the vigilance of the concerned citizens.

[Velez] Well, Secretary Ramos here has mentioned the coup threats although the imminence is something that is very difficult to pinpoint. General de Villa, you were quoted yesterday, however, as apparently having alluded to a 36-hour period which has made a lot of people very nervous. Maybe you want to explain about the 36 hours?

[De Villa] First of all, Joe I want to thank you for giving me this opportunity. I never intended to put a 36-hour time frame in regard to this reformists' coup attempt. You see what happened was like this: I was ambushed [caught by reporters] in Malacanang and a young reporter, a young girl, backed up the question. She said: General, is there going to be a coup within 36 hours? And I actually said: None, why? That is the end of the statement. And I don't know what else she asked, but I was really caught flatfooted in not realizing that I was into some kind of a trap right there.

[Velez] Yes, because the story which came out was that you said: Well, there won't be a coup, at least not within the next 36 hours.

[Ramos] Jo Mari, if I may interject this. It is just like asking you: Jo Mari, have you started beating up your wife? Whether you say yes or no, you are doing something wrong. So this is the kind of the trap that General de Villa was caught in.

[Velez] General de Villa, let me ask you, however, from all these intelligence reports that you have had and so on and the preparations which you seem to be making, do you have any...would you like to venture where Secretary Ramos did not want to do and to venture any guesswork on the imminence of a coup attempt?

[De Villa] Well, we can only go on and interpret the reports that we receive, analyzing them and interpreting also their public statements. And frankly, I believe that they would not be able to pull a coup that has the same ingredient as before that has any chance of success at all. But the public, I suppose, will have to understand that what they are doing now is really a psychological operation of this, to create instability tnat would make it easy for them to prey on the public and to prey on any support that may come from the public on the part of those who are defending the government, even when they lose one.

To the best of our knowledge and our assessment at the time, we maintained that they can never succeed in toppling or overthrowing the government via a coup or anything else. Especially in what they are doing in terms of resorting to terrorism. The seeds of terrorism never succeeded in the history of many countries in achieving its purpose of overthrowing a government. It has only succeeded in many, many cases in alienating the general public from the authors of terrorism. So, I would say that we must continue to be vigilant, as the secretary has said. On our part in the military, we will continue to be prepared for any eventuality that may have escaped our intelligence work and our own assessment and analysis of what is going on every day. So, I agree with Secretary Ramos that to make a prediction to when, as to how imminent it is, it is really very difficult but from our facts, we say that it is not that imminent as to how they will want to project it.

[Velez] Let me come back. We are going to pursue this point further, the question of time. [commercial break]

Secretary Ramos, the 36-hour time frame expires tonight. [laughter] While we talk, I hope we are safe enough with the two of you here. But what is bothering many people, Secretary and General, why are we seemingly conceding the inevitability or the inevitable march of a coup d'etat? In other words, what about next week, next month? Is there something that we can do to stop it?

[Ramos] Jo Mari, I am not conceding that point at all because what is happening are the destabilization moves. They may or they may not constitute eventually an attempted coup. But I think... that is precisely the point that I want to make here. And that these are just meant to scare as far as I can see it now, by way of bombings and then followed by pronouncements. And maybe it is the other way around: pronouncements first, then bombings.

First of all, there are some extortions going on. And this helps in their collecting money. Secondly, anybody can make this noise. [passage indistinct] In our very mobile and electronically equipped society, these things are possible. These could not be done before.

I was asked by somebody: Are the two percent of the Armed Forces of the Philippines considered to be disloyal? The ones going around the camps throwing away leaflets, propaganda items coming from the RAM [Reform the Armed Forces Movement], the YOU [Young Officers Union]. I said: No. This only takes one person manning one telephone with 30 telephone numbers and can put out a propaganda message within 50 minutes. And before you know it, [words indistinct]. That is all that it takes. And I think that is how they are doing it.

Secondly, the destabilization moves are precisely taking advantage of what is going on outside which is beyond our control. The Middle East crisis, the earthquake, and of course the sensitivities of the [word indistinct] and the business community are situations which make it ripe for this kind of propaganda offensive to become a little credible.

Now, I am saying that let us consolidate our positions. The Armed Forces is doing that by redeploying troops to the more sensitive areas such as some places in Metro Manila. And I think that one of the major efforts that could now be undertaken is for each neighbhorhood, each community to just go back to our own procedure or SOP of maintaining watch in our neighborhoods. And this includes discussing the problem without getting panicky about it. We have many communities in this country that are in the middle of NPA [New People's Army]-influenced territory that have not panicked in the way that they are likely to. Although the physical threats against them are much more than what is happening in Metro Manila today.

I think if we look back also in our history, we have really undergone much more severe crises than this one we have today.

[Velez] On the other hand, Mr Secretary, didn't the military overreact with all these tanks and all these combat troops? And didn't the Congress overreact and add to the fire? Who are we ordinary citizens to remain calm when Congress adjourned because of the coming coup? I would have thought they should have continued meeting instead of adjourning, but when they talked about: Wait, we have to go home to the provinces. We have to spread out and the threat is here in Manila. Well and good to be brave when you are somewhere in some farflung province. What I am saying is: Is this not adding precisely to the fear and apprehension of the citizens?

[De Villa] Joe, I don't know about Congress, but insofar as the Armed Forces is concerned, I have... the exercise that the National Capital Region Defense Command [NCRDC] under General Biazon did last Saturday was essentially a test of each unit, assembling them and inspecting them, and finding out if they are capable of immediate reaction, immediate grouping or massive...He also took advantage at the time—I was told—to appraise the troops under him of what is the situation, what is the mission and what we are going to do in case some foolish guy starts something. So I look at it from our standpoint as essentially a very normal activity .

Now, the other point that I would like to make is I have also asked the people not to be alarmed if we have checkpoints, we have mobile patrols, we have strong points in strategic positions. Because this is precisely to take care of them, to make sure that they are able to sleep with the idea that the military is alert and ready and we will be there to protect them. So, perhaps there are coup effects on this, but we look at it from the protecting side of the problem.

[Velez] Let me ask you, General, if you or your officers gave any briefing to members of Congress that may have formed the basis of their decision to go into a recess. In other words, did you tell them something that you are not telling us? This might be serious enough for them to do what they did?

[De Villa] You are correct, we gave them a briefing last Friday. We asked the president that if they will be available for a briefing with the Cluster E of the cabinet, and the president herself. And the leaders of Congress, if they are available—it might be useful for them to listen to what we are going to present.

Now, we presented to them the precise situation that we have seen on the ground and the intelligence information that we have had from all the reports and given our general assessment. And this centered especially on the balance situation. We told them about our interpretation of what is going on in the Middle East, on the Philippines, the ramifications of what is going on in the Philippines. We told them about the new political, military strategy that was agreed upon by the CPP [Communist Party of the Philippines]-NPA in the last plenum and the various aspects of this strategy which is directed at the urban centers. And we made our assessments and we asked all of the leaders present that in a desire to close ranks, we have to have a national contingency plan because of the Middle East. And we asked for whatever support that they can give us in terms of rallying the people behind the government and behind the national leadership because to our minds, this is necessary at this time. So, some of the leaders thanked us for giving this information to them and being candid about it. But their decision after that...

[Ramos] Let me just give my reaction there. Because the reason given for the recess on the part of the House of Representatives—the morning after the night that it was declared—was that this could give the congressmen an opportunity to go back to their districts and talk to their constituents and give them these straight informations about what is going on in Manila, and rally support behind the national leadership. Now, to me, this is a very good move. In fact, I was there also in the briefing given by the chief of staff for the leaders of Congress and those members of the Cabinet who belong to the so-called Cluster E. I am a part of that. The Cluster E on national security and political affairs.

And so the entire gamut of security concerns including Middle East were discussed, the security implications as well as the insurgency and related matters.

Now the capability of the so-called enemies of the state ranging from the extreme left—the CPP-NPA—to the extreme right—the military rebels and their political supporters—were discussed. And of course, when you discuss threats and people really did, naturally the words assassinations, extortion, other threats arose. But certainly, there was no presentation by General de Villa of a list of targets for assassination or list of people that would become the victims of extortion of these offenders.

Now, if I may go back to what we have discussed, we have always been preached and ruled by one tactic which is people power. People power in contending with security threats consists of more than just gathering people around a military camp in the form of a religious leader just like February 1986 or a sectoral leader and then just getting to their knees and praying. No. Now, it is much more than that. And what did we do in December 1989?

We tried to rally people power and they rallied behind the military. But this was in the form of civilian volunteers helping the military in providing blockades to the approaches to Metro Manila. This was done, for instance, by the mayors of Metro Manila, principally Mayor [name indistinct] of Muntinlupa guarding the southern approach to Manila. The mayors of Bulacan under Governor Pagdanganan assisting the military there to [word indistinct] access through MacArthur Highway and the Maharlika Highway. And then eventually, the assistance provided by civilian volunteers under the leadership of their mayors and governors in terms of food, medical assistance, and others.

This is the kind of people power that must be mobilized to defend the country against all kinds.

[Velez] Mr Secretary, we have to take a short break. When we come back, I am going to ask you whether there is any basis to [word indistinct]. [commercial break]

Secretary Ramos, the president has repeatedly called for unity and vigilance from the people. You have echoed the same call tonight. You talked about the population that was involved in Palawan. My question is: Whether you perceive or there is any view that might have been twofold in that briefing, that there may be a difference in the level of public support for the military and for the government, that might have existed in December of 89 and if it exists today? And there is a need to rally the people some more, for whatever reason?

[Ramos] Well, it was not really a perception or an announcement or an assessment by anybody that people's support for government or for the presidency or for the military had been reduced during the last six months. But what I pointed out in the discussion is—it was really a very brief discussion—was that civilian support for the military at a time like this must be sustained. And it can be shown in many ways, not just by declaration through media but actual acts, for instance, on the part of Congress. I pointed out a very positive situation, pertaining to the soldiers as I saw it, where the Armed Forces was being called upon to be more alert. They were having more sleepless nights than usual but at this particular time, there was a call for a nationwide ceasefire by way of a Senate resolution. So I said this is something so paradoxical and difficult to understand on the part of the soldiers. Because a nationwide ceasefire would mean that the soldier is being made to stop in his tracks, drop everything that he is doing to help protect the population, and then sit down around a table and discuss matters with the armed enemies of the republic.

So I suggested that maybe what really should be called for should be peace with justice. Under an umbrella of unity and Christianity on the part of the entire population and the national leadership. And so, this was discussed for a while. But I am very happy that at the same time that the House of Representatives announced a recess, they also passed on second reading the anticoup bill which makes coup attempts such as what we are now discussing—[words indistinct] to take over power—become a new crime in our law books. This is not bailable because it is capital offense. And I think the prescribed penalty is death sentence or something like life imprisonment. So something like that will take about

40 years. That is why this is very satisfying and shows congressional support for the soldiers in the frontline defending the republic.

[Velez] Mr Secretary, during that entire briefing or before or after, at any time, has the matter of declaration of martial law was or been discussed? Have these been discussed? Has the military proposed it? What is your position?

[Ramos] It was not discussed at all during that Friday afternoon briefing. Since then, I have been in one extended meeting of Cluster E last Wednesday. And the word martial law was never mentioned in our deliberations.

[Velez] It is unmentionable like...

[Ramos] This was followed by a three and a half hour meeting of the president and the entire cabinet that same afternoon. Again, the word martial law was not mentioned. But the word law was mentioned many, many times: Respect for the law, to the law and enforcement of the law.

[Velez] Let me ask about the news tonight. Very quickly. You said that what is going on is a prelude to a bigger thing. In other words, these bombings and so on. What bigger thing is up?

[Ramos] No, I said it could be a prelude to a bigger thing. Well, this could be, for instance, an attack on a government facility or a seizure of some remote town that is not well-defended. And it can be occupied for a few hours, just like what the [word indistinct] used to do. But, this could be easily overcome by our government forces. Again, the matter of capability must be factored into our attention because we always look at three levels: The first one is the intention and this is something in the mind of just one person—the least to do, the desperate, those that are probably cornered and those that are underground who are themselves offenders of the law or violators of the law. Now, then we look at the level of the plan. Maybe the group of persons with the same intention can arrange their intentions into some kind of a logical series of actions or a plan. But even if there is that intention on the part of several that has moved into a plan, they still must have the capability to implement it. The capability to overcome the opposition to that plan. Now, what is the opposition to that plan? It is the entire Armed Forces minus them, the military rebels. And their numbers have been dwindling and dwindling and dwindling over the last six months. And besides that, the mass support that they used to enjoy—let us say, after February 1986—because they were very glamorous and all that has been greatly and substantially reduced, especially after the December 89 coup. *What more now?* With all of the uncertainties and anxieties that they are creating in the minds of the people, I am sure that if our people could only talk and react through a program like yours, they would cry out to condemn all these.

[Velez] General de Villa, this group we are talking about, just what exactly is this? Is this the Honasan group? Is there any change in this group?

[De Villa] They have changed their name several times already. But it is essentially the same group, the RAM. They called themselves the SFP [Soldiers of the Filipino People] before. Now, it is KSP [Soldier of the Filipino People]. Some of them are even calling themselves KKK [Katipunan ng mga Kawal sa Kamindanaon—Association of Soldiers in Mindanao]. And the younger version which is really a small group of young officers—this is the YOU [Young Officers Union]. So, principally, these things that are being experienced, that have given anxiety and fears in the minds of our public are essentially coming from these groups. Although in our analysis, we have not discounted the CPP-NPA and even the Marcos loyalists because our recent experience showed that all of these people have at one time or another gotten themselves engaged into bombing activities in Metro Manila. And all of them have the capability to assemble and lay out these simple bomb devices.

[Velez] I was about to ask you whether there are any political sections or groups. Last December, as I recall, there was supposed to be some kind of alliance between the RAM and the Marcos loyalists in Palawan. From your reports, what does it look like?

[De Villa] The alliance that existed in the December '89 coup was very tactical in nature. It was really an alliance of convenience against what they perceived to be their common enemy—the government. But lately, we have not seen this alliance as strong as it was. Also, this time, we are presuming that the buildup of alliances among all including the MNLF [Moro National Liberation Front] is in decline. I am talking about our southern, the southern people who are in the south like the Noble group trying to get alliances worked out with the MNLF and the MIM [Mindanao Independence Movement] of Canoy.

So, there is one thing that is very certain, Joe. Their objective is to remove the president and change the government before 1992 [as heard]. Number two, they have never or they have not abandoned planning and preparing for actions that are directed toward this goal. The truth of the matter is they can try any number of times—if they are foolish enough, they can use 100 men and then try to take over one town, just like our experience in the past. There was the so-called Black Saturday event where a handful of enlisted men tried to occupy the headquarters of the Philippine Army until General Canieso drove them out within a day. Any number of attempts can be made. But the question is: Can they succeed? Our answer is: No, they will never succeed.

[Velez] We have to take a short break but when we come back, we are going to look at the attempts, however, may destroy so much of our government and our way of life that it may not be necessary to topple it later on. [commercial break]

We are still on "What is going on" [program subject] with Secretary Ramos and General de Villa. General de Villa, you have expressed your confidence about any coup attempt not succeeding. Succeeding being defined in terms of actually toppling the government, changing president and installing themselves there. Now, on the other hand, the attempt itself, perhaps not exactly the scale of the December coup but something similar, may in fact [have] already dealt a fatal blow to the government considering all the other problems, not by itself—the coup has sufficient problems. Can you imagine what that is going to do to the economy—we are talking about investments and other things. So, what we are saying: Why can we not prevent the attempts of that kind of scale? Not the terrorism—it will be almost impossible preventing these bombs being planted in the buildings—but the amassing of forces as one, and then attacking the camps. Why can we not prevent them?

[De Villa] Joe, what is probably difficult to explain—because there is no way of validating this—is the fact that we believe that, in fact we have prevented many, many plans from being carried out over time. And we do believe that since they are also military men over there, they make their own assessments. And they make decisions that... they believe if there is no chance of success, they pull back. And this is the reason why we are saying over some time now, that they have a plan that they keep moving forward.

Last year, Joe, we thought that July or June rather would be a very critical period and then they moved on month after month after month until we reached December wherein they resolved that probably, they are strong enough to try it and they did try it. So, it is what we call a destabilization when they call by telephone, they send out leaflets, they make public pronouncements to the media, all of which are intimidating in nature. Some are even giving us a warning. But this is where I think, I believe that the public must realize that these guys are trying to scare everybody off, some of them might say that they are ready to fight and die. So be it. But the problem is—I think this is really the crux—is that they are damaging and hurting the public, as you are saying. And I think it is in this area where everybody has to get together and realize that this is a small group, in our society of 50 million Filipinos, trying to intimidate all the millions of us who are trying to make this country go. And it is this point that we are trying to stress to our public: Do not allow this small minority group to intimidate the whole population and derail everything that we are trying to do for our country.

[Ramos] Joe Mari, there are many other things, other than the coup d'etat, for the military in terms of deterrence and prevention because that is what we are talking about. For instance, we in the defense establishment and the Armed Forces and also the Office of the President have been urging the enactment of legislation, of having a new body of law that has been forged and crafted in relation to our present needs, which are necessary so that there are some discipline that is imposed on those that are so far free-wheeling because of our very open democratic system. The matter of the crime of rebellion in our law books that I keep telling you allows bail for the amount of 20,000 pesos. Now, this very unusual situation took place at the height of the Mactan Air Base incident during the first week of December 1989. You might remember that? A certain person who was, in the eyes of the Philippine Constabulary of Region 7, making rebellious statements and making moves that were in support of the rebels that had taken over Mactan was able to get [words indistinct] at the time when the rebellion was still going on there.

Now, it is very fortunate for us, I think, that as a means of deterrence, this anti-coup proposed law is well on the way. But if it is not enough, let us make it enough because it is not yet a law. It will be part of the post-mortem analysis again.

[Velez] That it should have been passed.

[Ramos] That it should have been passed. Now, I think this should be given higher priority than it has been given during the recent past.

Now, the other non-physical sign of deterrence which will support the (?PC-INP) is the military protective measures now being undertaken by the chief of staff and his commanders...[changes thought] is the matter of really mobilizing public opinion against this kind of undertaking by a small handful of our military and even civilians so that it could not be treated anymore as something that is glamorous or something that must be given importance in our society, especially in some sectors of media, because, one...[changes thought] let me tell you. One very, very studied assessment by the chief of staff himself or by the defense secretary, and put out through media, press conference, press release, interviews, ambush interview or a combination of all of these, is given so much less space than the mimeographed or xeroxed or faxed statements or sometimes not even signed, whose authenticity cannot be verified and which is given half of a front page. Now, these are the things which must be put on balance, because our people precisely are being misled by this kind of public...

[Velez interrupts] We are running out of time and there is one very important question I want to ask you. We will close on that. But let me first ask General de Villa here: The situation is not getting better as far as the economy is concerned. The Middle East is ready to erupt and so on. Are you, have you inputted all of these things into your planning and all of your preparations?

[De Villa] Yes, Joe, insofar as the emerging crisis as a result of the Middle East situation is concerned, we have inputted into the cabinet committee concerned our thinking and our suggestions on the matter insofar as maintaining our peace and order, national security and stability is concerned. Of course, a lot of measures are really on the political and economic proper.

[Ramos] I can confirm that yesterday, the announcement came out from the Office of the President that a national contingency plan to handle the supply and the inflation and the foreign exchange aspects...

[Velez] Because this could change the entire equation in what we are talking about.

[Ramos] And I would like to assure you that the security and the military and the defense factors were also inputted into that whole plan. I am sorry I cannot give you more details.

[Velez] Yes, we have only about a minute left. And this time I must ask you—and I hope you take it seriously because everybody is talking about it—not everybody but so many people. Some people are probably wishing it but some people are suspecting it that you may or may not be involved in the coming coup. Why is that?

[Ramos] I am not involved. [as heard] I have never been involved and I would like to point out that even if they were trying to involve me in some previous attempts starting in November of 1986, that I have always resisted and that I have only really taken one very clear action with regards to coup, and that is to oppose them and to do everything in my power to crush them. And I will still do that in the case of what is coming. If there will be one. I would like to give you that assurance.

[Velez] I am not asking you to [word indistinct] because they did not suspect you. They did not talk about you, probably because the other party did not talk to you.

Anyway, Secretary Ramos, General de Villa, thank you very much for being with us tonight on Velez This Week, and I hope that we were able to answer some of the questions. We have run out of time and there are many more questions but we are very glad that we have these two fine gentlemen with us tonight.

Military 'Experts' Confirm Plan

HK2708094590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 27 Aug 90

[Text] A little-known organization of military experts today called on rebel elements to hold a peaceful dialogue with the government and air their grievances in order to avoid the launching of a coup d'etat. The Council of Allied Military Societies based in Makati claimed that it has had talks from time to time with members of leftist and rightist rebels.

According to Captain Panfilo Villaruel Jr, chairman of the organization, rightist rebels have confirmed to them, their plan to seize power. Here is an excerpt of the statement by Captain Villaruel, chairman of the Council of Allied Military Societies.

[Begin recording in English] I would like to confirm to you that it is true that there are plans for a coup. Number one is the August Moon. Number two is the Southern Star. [as heard]

However, I would like to tell our people that as of Friday and as of yesterday, the Council of Allied Military Societies, the sons and daughters of veterans, is confirming a position that we are not supporting any coups that may be planned or attempted. We would like to assure the public that 85 percent of the people in the military will say no. At the same time, we have made surveys in Makati and they don't want coup to further destabilize our country. [end recording]

'Explosion' at Makati Car Firm

OW2808042390 Tokyo KYODO in English 0321 GMT 28 Aug 90

[Text] Manila, Aug. 28 KYODO—A powerful explosion Tuesday caused damage to a car firm formerly owned by a relative of President Corazon Aquino, police reported. Capt. [Captain] Renato Libunao told reporters that the blast occurred at 2:35 A.M. at the Mantrade Development Corp. office in the financial district of Makati. No one was injured in the explosion.

It was the 17th bombing to hit the metropolis since fugitive former Army Col. [Colonel] Gregorio "Gringo" Honasan ordered August 13 a resumption of "tactical operations" against Aquino's government.

On Monday, Honasan's group, the Reform the Armed Forces Movement (RAM), asked Aquino and her government to resign "as soon as possible to pave the way for national democratic peace talks."

"If they do not resign, they will suffer the fury and wrath of the nation," said the statement dated August 28, the third anniversary of the failed coup launched by RAM in 1987.

The statement called on the citizenry to "express their dissatisfaction" toward the government and "unite in establishing a leadership that will free the Filipino nation."

Aquino warned Sunday she will not hesitate to use all powers granted to her by the Constitution to quash any new attempt to unseat her government.

Another Makati Bombing Reported

HK2808051390 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 28 Aug 90

[Text] A powerful bomb explosion shattered the windows of the Mantrade Motors Building located along EDSA [Epifanio De los Santos Avenue] corner Pasong Tamo, Makati, Metro Manila, early this morning. As of broadcast time, the type of explosives used by suspects is still unknown. However, Makati police authorities admitted that this was the strongest explosion to occur in Makati.

A tank of liquified petroleum gas, or LPG, was also placed by suspects in a parked jeep outside the building. Authorities believe that suspects had intended to ignite the LPG tank but were stopped when discovered by authorities.

In a related development, AFP [Armed Forces of the Philippines] Vice Chief of Staff General Rodolfo Biazon today outlined the strategy of rebel soldiers to launch a new coup d'etat. Biazon said the strategy included propaganda, bombings, bank robberies, and direct confrontation with defenders of the current administration. Biazon also said that the rebel soldiers could no longer recruit new men because they have been discredited.

On the other hand, Defense Secretary Fidel Ramos assured that his office is prepared to defend the government against any new coup d'etat by the rebel soldiers. He added that the AFP remains loyal to the current administration and is prepared to fight all forms of violence sown by the enemies of democracy.

Official Admits Difficulty

HK2808091790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 28 Aug 90

[Text] A military official admitted that the military is having great difficulty in preventing terrorist acts by still unidentified groups; the military suspects members of the Reform the Armed Forces Movement [RAM]. Capital Region Command commander General Marino Filart said the authorities should not be blamed if bombers manage to elude police and military elements, despite their strict monitoring. The statement was General Filart's rection to a bombing this morning at the Mantrade Motors in Makati, which was very close to a checkpoint set up by the authorities. Here is General Filart's statement on the issue:

[Begin Filart recording] Sometimes you say it is close to the airport. That is easy. You take, for example, a scenario during daytime in the especially busy hours when we definitely cannot check. Otherwise, how can you start checking at, let's say, seven o'clock in the evening or six o'clock in the afternoon [as heard]. There will be trouble. [end recording]

Aside from rebel soldiers of RAM-SFP [Soldiers of the Filipino People], Marcos loyalists and New People's Army [NPA] rebels may also be involved in the recent spate of bombings in different establishments in Metro Manila. This was the statement made by Capcom [Capital Regional Command] commander General Marino Filart in an interview with DZRH.

General Filart said that while there is still no evidence implicating the two groups [Marcos loyalists and NPA], there are indications that they are involved in the successive bomb explosions in Metro Manila. He also said RAM, the Marcos loyalists, and the NPA all share the same objective of overthrowing the present administration. Here is an excerpt of the interview with General Filart:

[Begin Filart recording] We cannot really confirm who is responsible for this because we still have not arrested any perpetrators. However, based on the indications we have, certain pronouncements, we feel that these are coming from RAM-SFP. It is possible that the loyalists are helping them. The NPA too—there is a possibility. They all have one objective—to destabilize the government and to overthrow it. They are one in so far as this objective is concerned. Because of this, when someone initiates trouble, they could join in too. [end recording]

'Dissident Soldiers' Linked

HK2808033390 Manila THE MANILA CHRONICLE in English 28 Aug 90 pp 1, 6

[By Manny Mogato]

[Text] The military said yesterday it had "incontrovertible" evidence linking dissident soldiers in the rash of bombings in Metro Manila and nearby towns. It, in fact, named suspects.

Defense Secretary Fidel V. Ramos said the evidence pointed to the alliance between RAM (Reform the Armed Forces Movement, although lately referred to as the Rebolusyonaryong Alyansang Makabansa) [Nationalist Revolutionary Alliance], the lead organization in the past six coup attempts, and the relatively newly established KSP (Kawal ng Sambayanang Pilipino) [Soldiers of the Filipino People] and the YOU (Young Officers Union). None of these organizations have actually admitted responsibility for the bombings publicly, although some news reports spoke of admissions in secret interviews with the rebels.

The military did not specify what this evidence was, except to refer to "patterns" of rebel activities and "known modus operandi."

In any case, leaflets attributed to the rebels come just short of admitting responsibility for the current terrorism.

Only yesterday, copies of a manifesto attributed to RAM-KSP called on President Aquino to hand over power to a coalition of non- Marxist rebel forces, meant apparently to exclude the communists, the oldest revolutionary movement. The manifesto appeared timed with the fifth coup attempt, mounted three years ago today.

For his part, Maj Gen [Major General] Rodolfo Biazon, the armed forces vice-chief of staff, named four renegade officers as among the men behind the bombing—Maj [Major] Abraham Purruganan and Lt [Lieutenant] Reynato Padua, both of the army, and Juancho Sabban and Ariel Querubin, both marine captains. Biazon said

Purruganan was the leader of the rebel alliance's "armed component," mainly responsible for the terrorism in the city.

The target of the latest bombing was again Republic Flour Mills, in Pasig, a company owned by the family of Trade and Industry Secretary Jose Concepcion Jr. No one was injured, unlike in the first attack, in which a security guard was wounded by flying splinters.

The bombings have come almost nightly in the past two weeks.

22 Rebels Killed in Negros Military Offensive

HK2508092590 Quezon City Radyo ng Bayan in Tagalog 0900 GMT 25 Aug 90

[Text] Twenty-two rebels have been killed since the military launched Operation Rolling Thunder in Negros Occidental last month. This was reported by Negros Island commander Brigadier General Raymundo Jarque. Jarque added that only 22 bodies were recovered while the bodies of other slain rebels were seen taken by their colleagues.

Thailand

Further on Response to Iraq-Kuwait Situation

Kuwaiti Tourists Granted Refuge

BK2808013190 Bangkok THE NATION in English 28 Aug 90 p 2

[Text] The Thai Government has agreed to comply with a Saudi Arabian policy to unconditionally extend visas to Kuwaiti tourists stranded here by Iraq's invasion of their country, a senior Foreign Ministry official told reporters yesterday.

Khopsak Chutikun, an ambassador attached to the Foreign Ministry, said the policy had been implemented by many other countries. Saudi Arabia has also offered to provide financial assistance to Kuwaitis who cannot return home. He said the exact number of Kuwaitis in Thailand unable to return to their country following the Aug 2 invasion was being surveyed by the Foreign Ministry. He estimated there were only a few Iraqi citizens in Thailand.

The ambassador also said the ministry had asked the Palestinian Liberation Organisation (PLO) to help Thai citizens leave Iraq-occupied Kuwait as well as evacuate the Thais who had already fled from Iraq and Kuwait to safety in Jordan. But the ambassador insisted that the request to the PLO does not mean that Thailand has officially recognized the organization.

Regarding a U.S. offer to hire 5,000 Thai workers for jobs in Saudi Arabia, he said the proposal would have to be considered carefully because the Middle East country is located in what could become a war zone. "We will get into trouble if a war breaks out," he said.

Khopsak also said there were only three officials who had remained behind at the Thai Embassy in Kuwait, in defiance of Iraq's orders for all countries to close their missions in Kuwait by last Friday.

'Clout' Allows Fast Repatriation

BK2708021190 Bangkok THE NATION in English 27 Aug 90 p 9

[By Kawi Chongkitthawon reporting from Amman, Jordan]

[Text] Five minutes after Deputy Foreign Minister Praphat Limpaphan arrived in his hotel on Thursday night in Amman, Jordan, a group of representatives from the Palestinian Liberation Organization (PLO) requested to meet him under the instructions of their leader, Yasir 'Arafat. PLO Ambassador to Jordan, Mohammed Farid Hijawi, told Praphat that the PLO would do everything possible to help Thai citizens to leave Iraqi-occupied Kuwait.

During the discussion, as if to show that he really meant what he said, he immediately called the PLO contacts in Iraq and Kuwait to look for ways to facilitate the Thais' departure from the beseiged nation. Less than 48 hours later, Praphat had received a report that the PLO helped to find vehicles to transport the Thais trapped inside the Thai Embassy. "As far as the security of Thais are concerned, they will be unharmed," assured Kopsak Chutikun, ambassador attached to the Foreign Ministry. Both Praphat and Kopsak welcomed the PLO cooperation and said that the PLO's goodwill and its connections in the Gulf is "an additional positive factor" to help ease the uncertainties surrounding the fate of the Thai people stranded in Kuwait.

As of now, it is not known to what extent the PLO has or will assist in the evacuation operations. Thai officials were unable to give details of the PLO assistance. However, the Thais do not rely on the PLO alone as local contacts are available. On the Thai side, Mohair Belfour, a honorary counsul of Thailand, has ultilized his reputation and connections to speed up the evacuation of the Thai people in an exceptional way. In recognition of his outstanding sevice, he was awarded a royal decoration by the Thai Government.

Suwit Sutthanukun, security general of the National Security Council, agreed that Thailand must make use of all of its influence in the Gulf including the PLO and local sources to save the Thais. If anything, the PLO's role in securing a safe passage for the Thai people has also highlighted Thailand's diplomatic clout in a time where help is needed most urgently. It also shows the increased confidence on part of the Thai Foreign Ministry, which has along been intimidated by the complexity of the Middle East situation in wanting to assume any kind of firm political commitment to the region.

Unlike much-contested policies towards the major powers or Indochina, the current Thai policy toward the

Middle East has not been challenged by other top policy makers. As a result, the military is able to execute the policy with precision and no further delay. But what has underlined Praphat's visit to the Gulf, twice in less than 10 days, was not only to rescue the Thai workers but to fine-tune Thailand's policy toward that region, which has been neglected by the Thai policy makers for decades.

Without doubt, the Thai Government knows well enough the importance of the region as its source of energy and as a labour market for Thai workers. If the region is mishandled, Islamic nations there could pose a big headache to the Thai Government, which has had difficulties in dealing with religious conflict in southern Thailand.

In the past, the Middle East was treated as an untouchable region, mainly due to religious sensitivity and the lack of understanding of differences and nuances over there. After the oil crisis in the 70's and subsequent changes in the overall political landscape of the Middle East that followed the Iran-Iraq war, Thailand has gradually begun to forge closer relations with the so-called "poorer" Arab nations of Iraq, Jordan, Libya, and Iran. Before that, Thailand only had close ties with the oil-rich and pro-US Arab countries of Saudi Arabia, Egypt, and Morocco.

At first the ties were restricted and solely for commercial purposes. Later Thailand's Middle East policy was modified to include a political dimension in it. It helped to explain Thailand's effort in recent years to neutralize the fundamentalist Arab nations that could yield some negative influences over the Thai Muslim community in the South. Suwit said that given the lingering conflict in the South, the current approach toward the Middle East nations will continue to be strengthened.

Just a few years back, contacting the PLO was considered a taboo because of Thailand's close relations with Israel and the US. It was unimaginable then that the PLO would offer help or improve Thailand's profile in the Middle East. Although the Israeli officials in Bangkok have voiced concern time and time again about the danger of forging close ties with the PLO, the Thai Government now allows the emerging circumstances in the Gulf to guide its policy toward the group instead of remaining stoic as in the past.

Iraq's occupation of Kuwait has not only polarized the volatile region but also affects the Middle East policy of countries in Asia, epecially the ASEAN countries. So far Thailand stands to gain as it has been shown by its diplomatic versatility. Bangkok has condemned the Iraqi invasion of Kuwait but has yet to impose economic sanctions ordered by the United Nations' Security Council, though as a token of support some lesser important trade deals were suspended.

According to Thai officials here, Thailand being a Buddhist nation can continue to deal unequivocally with the Islamic nations of all shades and preferences. In general, the Thai workers have received not-so-bad treatment in comparison with other nationalities by the Iraqi authorities. However, it is still uncertain how Bangkok will proceed if the Gulf crisis deteriorates in the near future. At present, to repatriate the Thai workers as soon as possible is still the top priority. Thailand is likely to avoid any action that would jeopardise its current efforts.

Editorial Calls for Clear Stand

BK2708151590 Bangkok SIAM RAT in Thai 27 Aug 90 p 8

[Editorial: "We Should Make Our Stand Clear"]

[Text] The United Nations Security Council has overwhelmingly voted to allow warships of the United States and its allies in the Persian Gulf to use suitable force to implement mandatory economic sanctions imposed on Iraq.

After Iraq's invasion of Kuwait on 2 August, foreign countries have expressed opposition to the Iraqi action and imposed economic sanctions against Iraq in order to press it to withdraw its troops from Kuwait. However, it seems that Iraq does not pay attention to world public opinion. It continues to occupy Kuwait and to persecute foreigners there. Iraq even threatens to use force to close foreign embassies in Kuwait.

The United Nations Security Council voted 13-0 with two abstentions to authorize military enforcement for the economic embargo against Iraq in order to force Iraq to withdraw its troops from Kuwait unconditionally. This resolution will undoubtedly cause problems for Iraq and will finally force it to withdraw its troops from Kuwait.

Thailand has tried to maintain its good relations with Iraq because it has a number of workers there. But such a stand has caused the people of the world to see that in fact Thailand pays attention to its immediate interests without taking world peace into account.

It is reported that the Iraqi soldiers have mistreated Thai women in Kuwait since the first day of the invasion. We should make it clear that we disagree with the Iraqi action and should condemn Iraq's piracy instead of being idle.

The government's assistance in evacuating the Thai workers is correct. It will be more correct if we join the international community in opposing this unjust war. The excuses that the war has no impact on us because we are far away from it and that we still have workers in Iraq are only aimed at protecting our own interests without taking into account the people of the world.

Nowadays modern communications have made the world smaller and smaller. No country will be able to survive if it adopts a policy of aggression because nobody in the world will accept this.

Further on Leadership Changes, Reaction

New Foreign Minister Policy

BK2808021990 Bangkok THE NATION in English 28 Aug 90 p 3

[Text] New Foreign Minister Subin Pinkhayan yesterday reiterated that he will continue to implement the Thai foreign policy set forth by Prime Minister Chatchai Chunhawan. "Foreign policy is not my policy, it is the policy of the Chatchai government," said Subin.

Unlike his predecessor ACM [Air Chief Marshal] Sitthi Sawetsila who clashed with Chatchai on Thailand's foreign policy toward Indochina, Subin is likely to follow the government policy on Indochina. Subin said yesterday that his top concerns at present were evacuating Thai workers in Kuwait and Iraq and dealing with the Cambodian conflict. Western diplomats welcomed Subin's appointment saying that he could strengthen Thailand's international economic relations.

Sitthi yesterday also endorsed Subin, who also belonged to Social Action Party, saying that he is capable man and has international explosure. As commerce minister, Subin attended ASEAN meetings as well as international conferences on international trade and bilateral forums.

Some ASEAN diplomats were more cautious. "We do not know much about him. We need more time," said one. The others expressed surprise that Subin was Chatchai's choice. But one Asian diplomat was enthusiatic saying that a new foreign minister would serve Thailand's interest better. "A new foreign minister is required once in a while," the diplomat said.

Subin, who met with Sitthi yesterday, said that he will continue the current Thai policy on Cambodia by encouraging all Cambodian parties to come into agreement on the interim authority or officially known as the supreme national council. "I don't think there is any problem on the Cambodian policy," he reiterated.

Thailand has been urging the Cambodian parties to bridge their differences on the council, which will represent Cambodia's sovereignty. Analysts here said that with Subin in charge of foreign affairs, the Chatchai government can fully implement its Indochina intiatives. Chatchai wants to turn the battlefields of Indochina into marketplaces.

Sitthi told reporters yesterday that he had sent farewell letters to all of ASEAN's foreign ministers as well as his counterparts in Washington, Beijing and West Germany and asked that give their support to the new foreign minister. He said Subin might need time to get acquainted with Cambodian leaders and other world leaders in order to perform his duties.

Subin said he was not worried to transfer his duty in the Commerce Ministry to Amaret Sila-on because the newcomer had a profound background on business and management. Amaret, who is among three non MPs [members of parliament] in the new Chatchai Cabinet, said he was grateful being chosen by Chatchai and M.R. Khukrit Pramot, SAP [Social Action Party] leader, to the position.

Premier Hints at Another Reshuffle

BK2808021190 Bangkok THE NATION in English 28 Aug 90 pp a1, a2

[Text] Prime Minister Chatchai Chunhawan said yesterday he was prepared to reshuffle his Cabinet again if it did not meet public expectatoins and pledged to "keep a close watch" on corruption. The Democrat Party, meanwhile, greeted the Cabinet reshuffle with a plan to change its own Cabinet line-up after its Public Health Minister Marut Bunnak offered to resign. Marut told an urgently-called meeting of Democrat executives that he wanted "to demonstrate his political spirit" by quiting so that Anek Thapsuwan, who was dropped as deputy communications minister in yesterday's reshuffle, could get a portfolio back.

The Democrat Party, which lost one portfolio in the reshuffle, was the only government party that reacted with some degree of dissatisfaction to the reshuffle, which saw nine incumbent Cabinet members dropped. Chatchai brought in three non-MP [member of parliament] "outsiders" and the opposition Puangchon Chaothai Party of General Athit Kamlang-ek into his new Cabinet lineup primarily to shore up its sagging image.

The three outsiders are economist Dr Wiraphong Ramangkun as finance minister, businessman Amaret Sila- as commerce minister and Police General Wasit Detkunchon as deputy interior minister. Gen Athit was named a deputy prime minister while two of his party members were named deputy communications and deputy public health ministers.

The reshuffle sees 12 new faces in the second Chat Thai-dominated Cabinet led by Chatchai, who came to office in August 1988. Chatchai said yesterday his Cabinet reshuffle would restore public confidence in its stability, "helping push up stock prices" at the Securities Exchange of Thailand which saw a 61.11 points rise yesterday following an unprecedented week-long slump because of the Gulf crisis and domestic political uncertainties. The rise was due mainly to the announcement of a government plan on Sunday to inject Bt10 billion to shore up the stock market.

Chatchai, however, said he might conduct another reshuffle if his second Cabinet did not meet public expectations. "If it is not good enough, I'll reshuffle it again," he said. Chatchai said it was a "pity" that he was unable to name Phalang Tham MPs, particularly secretary general Udomsin Sisaengnam and deputy leader Adm [admiral] Siri Sirirangsi, to his new Cabinet. "They are good people but even without them, I am not worried about the performance of the new Cabinet," Chatchai said.

Chatchai brought in the 17-MP Puangchon Chaothai instead of Phalang Tham, whose leader Major General Chamlong Simuang rejected the premier's overtures last week. The premier said he brought Puangchon Chaothai into the ruling coalition because they had been on good terms. In addition, Puangchon Chaothai MPs also displayed their "political spirit" when they refused to join the walkout by opposition parties in the last no-confidence showdown late last month, he said.

Athit was appointed deputy premier while his Udon Thani MP Prayun Suraniwong and Nakhon Ratchasima MP Suwat Lipataphanlop were appointed deputy health and deputy communications ministers respectively. The premier said all the coalition partners had agreed to bring in the three outsiders, particularly Dr Wiraphong who returned yesterday from Laos where he helped chart the country's third five-year economic plan under a contract with the Asian Development Bank.

"Everybody is happy Dr Wiraphong is joining the Cabinet," he said, arguing that politicians and technocrats should work together in the government. Chatchai said he retained the defence portfolio because the military still wanted him in that post.

Chatchai said that Pramuan Saphawasu, who was moved from the Finance Ministry to the post of deputy premier, will be the first deputy premier and work closely with him. "He will be acting premier when I am away overseas," he said. But Chatchai said he has not made up his mind which of the deputy premiers would be in charge of economic affairs. The other deputy premiers are Thongyot Chittawira from the Social Action Party (SAP), Maj Gen Sanan Khachonprasat from the Democrat Party, Gen Mana Rattanakoset from the Ratsadon Party and Gen Athit.

Chatchai said he was not sure whether the Cabinet reshuffle would enable the government to survive the rest of its four-year term. But he said he will pay close attention to the problem of corruption which was primarily blamed for the downfall of his first Cabinet. "There is nothing certain in politics but I have tried my best to select the best people for the administrative team. Let's try having non-MPs working in the Cabinet and see how they perform," he said.

Chatchai vowed to fight MPs who were dropped from the Cabinet if they caused trouble because of their resentment. The prime minister stuck to his "no problem" line when asked about the corruption problem in his government. "I will keep a close watch on it," he said.

Asked why former SAP leader ACM Sitthi Sawetsila was removed from the foreign portfolio, Chatchai said that it was decided by SAP leader M.R. Khukrit Pramot. "The priority now is for the Foreign Ministry to evacuate the remaining Thai workers from Iraq and Kuwait," he said. He added that despite the changes, he expected continuity in Thailand's foreign policy.

"ACM Sitthi and Subin are close friends and foreign policy (is determined by) the entire coalition government," he said. The executives of the Democrat Party, the third largest party in the seven-party coalition, met for five hours yesterday during which its deputy leader Marut offered to quit, saying he wanted Anek, who was dropped as deputy communications minister, to be put back into the Cabinet. Anek was the only Democrat to have been left out in the reshuffle.

"Anek is a promising young politician," said Marut, who was appointed public health minister early this year. Marut replaced Chuan Likphai, another deputy leader of the party, who became deputy premier after Democrat leader Phichai Rattakun resigned. Speaking to reporters after the party meeting, Phichai said his party would initiate changes among its Cabinet members soon after the budget bill is passed early next month. He said the changes would involve the seven Democrat Cabinet members, except for Chuan and Sanan Khachonprasat, the former deputy premier and agriculture minister who swapped posts in yesterday's reshuffle.

Phichai said he would propose the pending changes, details of which have yet to be worked out, to a joint meeting of Democrat MPs and executives today. Informed sources in the Democrat Party said its leadership was unhappy with the reshuffle because it had not been consulted by Chatchai. They said Sanan, who as agriculture minister was embroiled in a forest encroachment scandal in Chachoengsao province, was shocked by the reshuffle. "He had not been told about it in advance. He is taking it as an affront," said one source. Sanan told reporters yesterday he was confident that he had contributed a lot to the country during his two years as agriculture minister.

New Finance Minister on Austerity

BK2808024790 Bangkok THE NATION in English 28 Aug 90 p B1

[By Suthichai Yun, Watchara Charunsantikun, and Samang Wutthisaksathit]

[Text] The government will have to revive its austerity policies to meet the effects of the oil price increases, Dr Wiraphong Ramangkun, the newly-appointed Finance Minister says. His comments came as central bankers and members of the private sector welcomed his appointment as a sign that the second Chatchai Cabinet would stress economic stability—keeping inflation and trade balance deficits under control—and would make a more determined effort to introduce value added tax (VAT).

Speaking in Vientiane where he has been advising the Lao government, Wiraphong told THE NATION in a telephone interview that as a Cabinet member he would insist on staying non-partisan and independent. Even in a political set-up whose reputation suffers many blemishes, he would maintain his integrity, Wiraphong vowed.

He listed among his priorities the further liberalization of Thailand's foreign exchange regime and caution in the government's taxation and spending programmes in the face of rising oil prices. "I am known as an austerity economist," he said.

Wiraphong has been a vocal advocate of allowing interest rates and domestic oil prices to float according to market forces. At present loan interest rates are limited by government imposed maximum levels, while oil prices are still subsidized even under the recently-introduced revised system. Among his first international tasks as finance minister will be to head the Thai delegation to the annual meetings of the World Bank and International Monetary Fund in Washington next month.

Bankers and stock market investors yesterday welcomed what they predicted would be the emphasis on stability in the final two years of the Chatchai government. They paid tribute to Wiraphong's influence, as economic adviser to former Prime Minister Prem Tinsulanon, in enabling the Thai economy to grow without encountering inflation or balance of payments deficits between 1984 and 1987, allowing the country to become one of the world's fastest growers in 1988-90. And they predicted that some of the obstacles that had hampered relations between the Bank of Thailand and the Finance Ministry would be removed.

Chawalit Thanachanan, governor of the Bank of Thailand, said Wiraphong's appointment would be widely accepted. He described the new minister as a man of principle and a clear thinker whose ability to explain policies is almost unrivalled. However, Chawalit cautioned that the responsibility of the new office would prevent Wiraphong from being as outspoken as he had been in the past.

Olan Chaiprawat, senior executive vice president of the Siam Commercial Bank and a former Bank of Thailand economist, said the new minister would be a more effective negotiator with commercial bankers because they "speak the same language". He described Wiraphong as knowledgeable and able in fiscal and monetary policy.

Narongchai Akkharaseni, vice president of the the Thailand Development Research Institute (TDRI) added that Wiraphong has sufficient flexibility to survive as a minister in the democratic system. Before his latest appointment, Wiraphong was director of TDRI's macroeconomic policy programme.

Siri Kancharoendi, director of the Bank of Thailand's Economic Research Department, predicted that one of Wiraphongsa's most important tasks would be the reform of the taxation system, particularly the delayed introduction of Value Added Tax, the sales tax intended to replace business tax.

The stock market's SET Securities Exchange of Thailand Index responded to the reshuffle by recovering 61 points after suffereing a serious slump in the past three weeks of crisis in the Persian Gulf. The stock price rebound reflected optimism that the country's fiscal and monetary policy would continue to be on a sound footing, and that decisions still awaiting the former minister, Pramuan Saphawasu, would be taken—notably the liberalization of financial markets and of foreign exchange, and the privatization of state enterprises. This, the markets felt, would help raise Thailand's financial system to international standards and prepare the Thai economy for the expected effects of another oil shock and international recession.

The challenge facing the Chatchai government in the second half of its official term, many felt, would be to ensure continued growth without instability as interest rates and oil prices rise and investment declines.

Appointees Said To 'Bolster' Image

BK2808035090 Bangkok THE NATION in English 28 Aug 90 p A4

[Text] Interior Minister Banhan Sinlapa-acha said yesterday the appointment of three non-elected outsiders to the Cabinet would bolster the government's image but denied they were chosen because the government considered MPs [members of parliament] and other politicians unqualified. Prominent economist Wiraphong Ramangun, leading businessman Amaret Sila-on and senior police officer Police General Wasit Detkunchon became finance minister, commerce minister and deputy interior minister respectively in the second Chatchai administration.

"The prime minister said he will solve every problem to rebuild the good image of the government and has already done so. I believe the Cabinet reshuffle will also help restore the plunging stock market. I think the public will accept our new Cabinet line-up," said Banhan. He said the appointment of nonpartisan Cabinet members was not unprecedented because former Prime Ministers Kriangsak Chamanan and Prem Tinsulanon had done so before.

He also called on critics of the appointments, such as MP's Office Minister Chaloem Yubamrung, to lay off and give the new ministers a chance to prove themselves. Chaloem called the inclusion of non-MPs in the Cabinet undemocratic. Chat Thai MP Niphon Wisanyutthasat also said he said he saw no need for bringing in outsiders when the House of Representatives holds 357 MPs who are all qualified for cabinet posts.

The Ang Thong MP also said he did not think the appointees would do anything to help the government's image. But Banhan said the appointments fulfilled "a wish to see the government work together with technocrats and outsiders." Chat Thai deputy spokesman Somsak Chanduaikit agreed that bringing qualified outsiders into the Cabinet would help stabilize the government. But Somsak said he did not mean to imply that the ministers who were removed in the reshuffle were incompetent in their jobs or had done something wrong.

Banhan added Chatchai had wanted to bring the Phalang Tham Party into the government but had to change his plans following a disagreement between party leader Chamlong Simuang and some of the party MPs. Chamlong, rejecting Chatchai's offer, said the Phalang Tham Party would not join the government but work as an independent opposition party. Nine MPs had expressed interest in accepting the government's proposal. "There would have been no problem if they were willing to join the government. But they rejected our proposal, therefore, we had to reshuffle the Cabinet in another way," said Banhan.

Industry Minister Praman Adireksan, meanwhile, said he anticipated no problems in working with Saman Phummakanchana, who was appointed his deputy after the dismissal of the deputy industry ministers, Phaithun Kaeothong of the Ratsadon Party and Dusit Rangkhaisiri of the Chat Thai Party. Saman, the Chat Thai MP for Prachin Buri, was secretary at the Interior Ministy before becoming deputy industry minister. He was elected MP in the eastern province in 1976, 1979 and 1983.

Appointment of 'Technocrats' Defended

BK2808030590 Bangkok THE NATION in English 28 Aug 90 p A3

[Text] The premier appointed three recognized technocrats to the ministries of commerce, finance and interior because he wants to shift more weight to promoting exports, financial stability and law enforcement, a deputy government spokesman said. Likhit Hongladarom said the move was also aimed at strengthening political stability because the public expected a Cabinet shake-up which would bring "professionals" into the Cabinet.

Describing exports promotion as the "core" of the government's economic policy, Likhit said the premier hoped Dr Amaret Sila-on, the new commerce minister, would help push Thai products to trading partners. Financial stability is also a key factor in national development and that was why Dr Wiraphong Ramagun was named finance minister, the deputy spokesman said. Likhit added that Deputy Police Director General Police General Wasit Detkunchon was named deputy interior minister because the premier wanted him to strengthen law enforcement and keep order in the country.

The Constitution allows the premier to appoint non-MPs [members of parliament] to the Cabinet, the deputy spokesman contended. The premier also wants to erase the image that the government was protecting corrupt ministers, explaining the reasons behind the firing of former deputy interior minister Santi Chaiwirattana and ex-deputy commerce minister Phinya Chuaiplot, Likhit added. He said the first Cabinet worked for two years and it was time for a reshuffle to put the right men in the right jobs. —A student group yesterday denounced the reshuffle of the Cabinet, saying it was a setback to democracy and only served to help the government stay in power. Miss Saowani Chitrun, secretary general of the Students Federation of Thailand, told news conference that Prime Minister Chatchai Chunhawan and his government should step down to show responsibility for its failure in administration.

She said the government did not solve the problem by bringing in the three "outsiders" into the Cabinet. "The government is having problems in its administration of the country not with its image," she said. She said Chatchai had shown no intention of halting corruption in his government, especially among Cabinet members of his Chat Thai Party.

He [as published] commended former army chief Gen Chawalit Yongchaiyut for quitting the government two months ago "to show his spirit after he failed to stamp out corruption."

Sitthi To Take No Part in Politics

BK2808041190 Bangkok THE NATION in English 28 Aug 90 p A3

[Text] ACM [Air Chief Marshal] Sitthi Sawetsila, who was dropped from the Cabinet yesterday after serving as foreign minister for more than 10 years, said he had intended to resign the post anyway and declared that he would no longer take part in politics. With an obvious air of relief, the former Social Action Party leader said he would pack up today, but added that he didn't know what to do next. "I have no business to tend to and I am totally uncertain about my plans for the future," Sitthi said at a farewell party to a group of reporters covering the Foreign Minister.

Sitthi jokingly asserted that his end-of-term financial statement to the Counter Corruption Commission would actually show a drop in his assets compared to when he started in the Cabinet. Cabinet members are required to submit such statements when taking office and when leaving. "I have no house of my own now because I have given all my property to my children," he said. He did say, however, that he might advise his successor, Dr Subin Pinkhayan, on foreign affairs.

Sitthi and his former deputy Praphat Limpaphan tended their resignations on Sunday when it was clear that the Cabinet shake-up was imminent. The ex-foreign minister said that he had hoped and planned for a "soft landing" or graceful exit from politics but had not been permitted by circumstances to do so. "I wanted to bow out of politics not as a controversial figure or because I was forced out. But I was not given a chance by past events," he said.

Sitthi said that he tendered his resignation not because he had conflicts with anyone but simply because he felt that he had made enough contribution to the country. "It's just time for me to leave it to another foreign minister. There is the peak of one's career and my peak has gone," he said.

Sitthi said that among the achievements he was most proud of was his role in mobilizing support from the United States, ASEAN, West Germany and other allies for the political and economic isolation of Vietnam. The pressure, he said, finally prompted Vietnam to pull out its troops from Cambodia. The ex-foreign minister said that he had confidence in M.R. Khukrit Pramot on his ability to lead the Social Action Party.

"He may be ageing but he is still as smart as ever and I believe he will be able to make his best contribution again," said Sitthi, who handed over the top party post to Khukrit last week. He said during his tenure at the Foreign Ministry, Thailand's security was very vulnerable at some periods. He said the best period for him at the foreign office was when Gen Prem Tinsulanon was prime minister.

Sitthi said he took pride in the fact that he was Thailand's longest-serving foreign minister after Krom Phraya Thewawong Naropakon and former deputy premier Dr Thanat Khoman. Krom Phraya Thewawong and Dr Thanat served at the foreign office for 30 years and 12 years respectively, while Sitthi held the post for 10 years, six months and 14 days.

Chatchai Cabinet Reshuffle Viewed

BK2808042790 Bangkok THE NATION in English 28 Aug 90 p A8

[Editorial: "Still Try To Buy Time"]

[Text] Yesterday's Cabinet reshuffle showed that the crisis of confidence in the Chatchai administration was worse than the prime minister had realized or admitted all along. As it was hastily done, the reshuffle will at best buy some more time for him and his government.

But instead of suddenly improving the public image of the government, as it was intended, the reshuffle could backfire on the prime minister, whom many government and opposition MPs [members of parliament] now charge is trying to save his own political career and place his Chat Thai Party in a stronger position to compete in a snap general election.

The election will have to be called if the Chatchai coalition fails to pass its budget bill next week and the prime minister dissolves the House. This may not be what the prime minister wants. By including the Puangchon Chao Thai Party, which has 17 MPs, to his coalition, the prime minister now has on his side 246 MPs in the 357-member House. With a majority of nearly 69 percent, the government coalition can rush the budget bill through the House with ease—assuming that there are no large-scale defections in any of the major government parties.

The prime minister did try to address the image problem of his administration which was seriously tainted by corruption scandals. Ministers who couldn't clear themselves of all major corruption charges, notably Deputy Commerce Minister Pinya Chuaiplot, were either dropped or removed to less significant posts. Agriculture Minister Major General Sanan Khachonprasat and Finance Minister Pramuan Saphawasu were both "kicked upstairs" to be deputy premiers.

The three outsiders brought into the new Cabinet as ministers are widely recognized as respected professionals. With Dr Wiraphong Ramangkun as finance minister and Amaret Sila-on assuming the commerce portfolio, the prime minister will have competent hands to cope with emerging economic problems brought about by the oil crisis from the Gulf conflict. Wiraphong is in an excellent position to improve cooperation between his Finance Ministry, the Bank of Thailand and the National Economic and Social Development Board in adjusting monetary, fiscal, and development policies to cushion Thailand from the oil crisis.

The third outsider, Police General Wasit Detkunchon, is also respected not only for his impeccable professionalism but also for his courage to stand up against corruption and wrongdoings. As deputy interior minister, his presence is a welcome change, especially since his predecessor at this post, Santi Chaiwirattana, left behind quite a mess.

Wasit, Wiraphong and Amaret now face a very tough challenge. They are literally risking their necks to save this troubled government, yet they may not have any political backing from any government party, especially when push comes to shove. In fact, many government MPs, including PM's [Prime Minister's] Office Minister Chaloem Yubamrung, resent their appointment. Moreover if these three ministers tackle corruption head-on, they will further alienate the government parties and the bureaucracy.

However, since the prime minister needs them more than they need him, the three ministers are not under any obligation to curry favour with the prime minister or other powers-that-be. This is their opportunity to show what needs to be done in the government. They do not have much time left.

The prime minister is also running out of time because he didn't address the root cause of the current crisis of confidence, which is his lack of leadership. Even yesterday's reshuffle was forced on him by circumstances and arranged chiefly by his son and a few other PM's policy advisers. Many of those ministers dropped from the new Cabinet line-up were not informed in advance. The prime minister went along only because of the growing outcry against corruption in his administration.

Other senior Chat Thai executives accepted the reshuffle because it put their party in a stronger position vis-a-vis other coalition partners. Secretary general Banhan Silapa-acha still keeps his powerful interior portfolio.

Major General Praman Adireksan increases his control of the Industry Ministry with the arrival of his former secretary Saman Phumakanchana to the post of deputy industry minister, replacing Phaithun Kaeothong of Ratsadon and Dusit Rangkhasiri of Chat Thai.

Removing Pramuan, a deputy Chat Thai leader, from the post of finance minister could divert public attention from the party at a time when the stock market is in its worst crisis and other financial problems are cropping up. Pramuan's loyalty to the party was also questioned in the wake of persistent rumours about him contemplating joining ex-army chief Gen Chawalit Yongchaiyut in forming a new party.

Chawalit is expected to announce his plan to set up a party later this week. This is one big reason why the prime minister doesn't want to dissolve the House. He doesn't want to give Chawalit—whom he once named his political successor—such an ideal opportunity to vie for premiership so soon.

The prime minister need not worry about Chawalit for the time being. His primary concern now is how to placate those angered by their dismissals from the Cabinet and those upset by their being "kicked upstairs." These unhappy senior politicians, when ganging up with other government MPs disappointed by being passed over for the Cabinet posts, will form a formidable force capable of disrupting the government's attempt to pass the budget bill next week.

The Cabinet reshuffle is, therefore, too little and too late.

Editorial Discusses Reshuffle Effort

BK2808043990 Bangkok BANGKOK POST in English 28 Aug 90 p 4

[Editorial: "Corrective Surgery or Minor 'Facelift'"]

[Text] There is little doubt that one of the prime objectives behind the Cabinet reshuffle announced yesterday was to prop up the government's image which has been badly bruised by the series of corruption scandals rocking the Social Action Party, the second-largest coalition partner. Against the background of sagging political morale and a crisis of public faith in what was pereived to be a democratic but corruption-riddled system, the inclusion of three well-respected non-partisan personalities in the new Cabinet lineup has ushered in some fresh optimism.

Viewed in the context of a political format, sceptics can criticise Prime Minister Chatchai Chunhawan for taking a step backwards in appointing Finance Minister Wiraphong Ramangkun, Commerce Minister Amaret Sila-on and Deputy Interior Minister Pol Gen Wasit Detkunchon. But substance is far more important than form. From the start, the prime minister had often trumpeted on the "fully-elected" nature of his regime. His appointment of the trio to the new government is thus tantamount to an open admission that a government wholly comprising elected politicians has its shortcomings, particularly since it has become amply clear that many of the politicians are corrupt. So there should be nothing wrong in enlisting the services of non-partisan but recognised experts.

While the final objective of this exercise is clearly meant to ensure the government's survival through the second half of its term, it is nonetheless worthwhile to note that the ministerial changes are also in response—in part at least—to the public's wishes for reform. The recent corruption scandals have prompted a mounting chorus of public criticism to the extent that some critics were openly calling for a parliamentary dissolution and new elections. His other shortcomings aside, the prime minister's responsiveness to the public clamouring for change is a positive sign.

The new Cabinet will now have to prove to the public that it can be more vigorous and effective in administering various vital state affairs. The new finance and commerce ministers in particular should be given all necessary support since their briefs are made all the more difficult by the global economic volatility sparked by the Mideast crisis.

More important from the domestic political standpoint, the prime minister will have to redouble his efforts to crack down on corruption during his remaining two years in office. This is necessary because the sacking of former deputy interior minister Santi Chaiwirattana and deputy commerce minister Pinya Chuaiplot is neither impressive nor adequate enough to rid the system of what is generally perceived to be rampant corruption.

Although there is hardly any public sympathy for them, the dismissal of the two deputy ministers was widely perceived to be party of an orchestrated campaign on the part of the Chat Thai Party to discredit the SAP [Social Action Party]. The momentum was clearly set into motion for the dumping of the SAP from a new Cabinet line-up—until party founder and former prime minister M.R. Khukrit Pramot came along to salvage the situation as SAP's temporary leader.

Despite the publicity surrounding the latest Cabinet reshuffle, several vital questions remain unanswered in connection with the sacking of Mr Santi and Mr Pinya. Why has the government's corruption crackdown been directed solely at the SAP? Why is it that the Police Department under the jurisdiction of Interior Minister and Chat Thai Secretary-General Banhan Sinlapa-Acha has been instructed to concentrate their investigations on the Santi and Pinya cases whereas no follow-up action appears to have been taken, for instance, on another corruption charge against the director of the Mass Communication Organisation of Thailand, which is under PM's [Prime Minister's] Office Minister Chaloem Yubamrung's jurisdiction?

Given that both Mr Santi and Mr Pinya are "small fry"—allegedly engaged in irregular deals that are worth little compared to multi-billion-baht projects under the charge of other politicians who control large ministries—the question must be asked as to what action will be taken against the "big fish"?

These are questions to which the prime minister will have to provide plausible answers as well as concrete solutions. Unless he does so, the sacking of the two deputy ministers can be dismissed as a cosmetic reform with no real impact.

Dailies View Reshuffle, Foreign Policy

BK2808122990

[Editorial Report] Three Thai-language dailies—THAI RAT, SIAM RAT, and MATICHON—on 28 August carry a column, an article and editorial, and an editorial, respectively, commenting on the major Cabinet reshuffle announced on 27 August.

THAI RAT's 1,500-word column by Pleo Si-ngoen on page 5 titled: "Chatchai 2" states that the quick major Cabinet reshuffle was done mainly to correspond with the desires of General Chatchai Chunhawan and Major General Khukrit Pramot.

The writer says he is satisfied with the appointment of three non-MP [member of parliament] "quality personnel"—Amaret Sila-on, Wiraphong Ramangkun, and Police General Wasit Detkunchon—to the posts of commerce minister, finance minister, and deputy interior minister. These able and honest people will help improve the image of the government, he says.

The column points out that the removal of Air Chief Marshal Sitthi Sawetsila and Second Lieutenant Praphat Limpaphan from the posts of foreign minister and deputy foreign minister is strongly against the public's feelings. He notes that the reshuffle was hastily done and has not yet really tackled the root of the problem, because the ministers who have caused conflicts among the public and the military circle have not yet been removed.

SIAM RAT's 1,500-word article on page 1 of its special section titled: "Foreign Policy of the New Chatchai 2 Government," says it is regrettable that the new Cabinet has left out Sitthi and Praphat, who have high ability and great experience in foreign affairs. Sitthi had been foreign minister for more than a decade. However, Subin Phinkhayan, former commerce minister who has now replaced Sitthi in the foreign minister's post, is expected to be able to maintain the Foreign Ministry's role in setting foreign policy in the future.

The article says the Chatchai 2 Government's foreign policy will not differ much from the previous policy. "Thailand will continue friendly relations with the superpowers and its neighboring countries. With his experience, the new foreign minister may prompt the Foreign Ministry to have a greater role in the international economy and coordinate with the Commerce Ministry more quickly and efficiently."

It says that Thailand's policy on the settlement of the Cambodian problem is expected to be more polished by the Foreign Ministry in a way that protects the interests of the country. "The policies toward the superpowers, such as the United States, the Soviet Union, China, or Japan, will not differ much from the previous ones. The policy toward the neighbors will follow the policy to transfer the battlefield into a market place," the article concludes.

SIAM RAT's 500-word page-8 editorial titled: "The Cabinet Reshuffle," points out that the reshuffle of 20 posts in the Cabinet on 26 August was done with two major objectives—to improve the image of the government and to enhance the political stability of the government coalition before the voting for passage of the national budget bill takes place.

The paper urges the politicians to completely end all acts of corruption because "such acts will only sabotage the democratic system and destroy the country."

MATICHON's 800-word editorial on page 8 titled: "Welcome the Chatchai 2 Cabinet," notes that the inclusion of clean and capable outsiders in the new Cabinet is aimed at gaining more public acceptance of the government and reducing waves of criticism against the government. It shows that the leader of the government accepts public opinion, acknowledges the feelings of the majority of the citizens, and is not limited to the concept that only a member of Parliament can become a minister.

The paper concludes that the technocrats included in the Cabinet could help the politicians a great deal in improving the efficiency of the national administration.

Agreement Reached With U.S. on Tank Purchase

BK2808041390 Bangkok THE NATION in English 28 Aug 90 p A2

[Text] The Royal Thai Army has agreed to buy 26 to 30 used American tanks, the first of three purchases of tanks it plans to make from the United States, a senior army officer said yesterday. The army is preparing to sign a contract with the United States and seek the government's approval for funding, said Deputy Army Chief-of-Staff Lieutenant General Chatchom Kanlong, chairman of the army's procurement committee. The first batch of M-60 tanks, which are installed with radio equipment, is expected to cost an estimated Baht 1 billion, he said.

Chatchom said the procurement committee decided to buy three batches of used M-60 tanks from the United States after inspecting the tanks last month. In a move to benefit from drastic cuts in US defence forces, Army Commander-in-Chief General Suchinda Khraprayun said in April that the army would buy a total of 300 tanks to be decommissioned from the US Army and sold at low prices. At that time he said 50 of the tanks were M-60s and the rest were M-48 A5s. Chatchom yesterday said the procurement committee had yet to discuss in further detail the feasibility of purchasing the M-48 A5 tanks.

Suchinda said in addition to tanks, the army was also considering buying a number of used armoured personnel carriers from the United States.

Results of Meeting on Patent Protection Noted

BK2708113590 Bangkok Domestic Service in Thai 1200 GMT 27 Aug 90

[Text] Prayun Thaloengsi, executive director of the Board of Trade, said that the Working Committee on Thai-U.S. Trade Relations and the Board of Trade met with representatives of the Commerce Ministry over the weekend to exchange opinions on how the issues of intellectual property protection and cigarettes were progressing. Those attending the meeting were briefed on the problem concerning the U.S. request that Thailand open its cigarette market. This issue is still under the consideration of the GATT panel. Regarding some Members of Parliament's claim that the Government tried to please the U.S. on trademark protection, those at the meeting were told that efforts to amend laws on trademark protection were carried out even before the United States asked Thailand to do so. In addition, such an amendment will also be beneficial to Thai manufacturers because it will protect the trademark of Thai producers as Thailand is to become a newly industrialized country.

Regarding drug patent protection, the private sector has proposed to the government the institution of drug patent protection in the country in order to promote local research in this field. However, it is necessary for the government to take measures to control drug prices for local consumption. In addition, such protection also has to be carried out in accordance with international regulations and with the results of the Uruguay round of GATT talks. It is not necessary that this be done in keeping with the U.S. request.

Meanwhile, the private sector also suggested to the representatives of the Commerce Ministry that actions against violators of intellectual property protection laws be a nationwide policy, which has to be considered at the cabinet level. These representatives said that the cabinet ought to seek cooperation from agencies concerned, such as the Public Prosecutions Department, the Police Department, and the Justice Ministry, to guarantee effective law enforcement.

Thai Company Begins Car Exports to SRV

BK2708015990 Bangkok BANGKOK POST in English 27 Aug 90 p 28

[Text] MMC Sittipol Motor Co, local assembler of Mitsubishi cars, has shipped its first passenger vehicles to Vietnam. The firm expects to sell 1,000 cars to that country in the first year.

The company's executive, Watchara Panchet, said the shipment would mark another significant achievement for the firm in expanding its car exports in addition to Canada, Portugal and Cyprus. He said the company had several pending orders from a Vietnamese state firm for its Mitsubishi Champ passenger cars and expected the number to rise to 1,000 units in the first year. Mr Watchara said the company was also trying to open car export markets in two other Indochinese countries: Cambodia and Laos.

He expressed confidence that Thailand would become the production and export centre of Mitsubishi Motor of Japan to ship Mitsubishi cars to neighbouring countries in this region. He noted that it would be relatively less costly for Mitsubishi to have its cars made and shipped from here, rather than from Japan. "Thailand will eventually become Mitsubishi Motor's largest production facility outside Japan," Mr Watchara said.

MMC Sittipol currently maintains two assembling plants in Lat Krabang producing Mitsubishi passenger cars, pickups and trucks. The company is now building its third plant in Laem Chabang, which, when completed, will become the biggest of the three with a monthly capacity of 10,000 pickups.

Official Sees 'Brighter Prospects' for Rice Export

BK2508114590 Bangkok Domestic Service in English 0000 GMT 25 Aug 90

[Text] Thai rice export is expected to be adversely affected by the gulf crisis as the two countries involved, Iraq and Kuwait, are both major buyers. Iraq has earlier contracted for 60,000 [metric] tons of Thai fragrant rice, still undelivered due to the trouble in the region. Thailand however can look up to brighter prospects for her rice export in the second half of the year, according to Mr. Niphon Wongtrangan, the adviser to the Committee on Rice Policy and Measures, who said that many countries, traditional and new markets for Thai rice, had placed orders for rice to be delivered toward year-end.

The Philippines has ordered 300,000 tons of 35 percent rice. China has bought 80,000 tons of rice from private stocks and is considering buying more to offset shortage caused by floods. India, also suffering from floods, is buying Thai rice for its people's consumption. Moreover, Bangladesh has ordered 100,000 tons of parboiled rice. There are other countries asking for Thai rice, for example, Madagascar, Peru, Brazil, and the Soviet Union.

He also reported that annual rice output in the northeast this year is good, with 70 percent of the acreage yielding good results. Farmers along the Mekong River have turned to high quality fragrant rice. Rice output from the region this year would be about 6 to 7 million tons, close to last year's figure.

Government Adviser Predicts Slower Growth

BK2508062890 Bangkok BANGKOK POST in English 25 Aug 90 p 15

[By Ron Corben]

[Text] Thailand's surging economic growth in recent years may be slashed in half as a result of the Middle East crisis, a senior policy adviser to the Government said this week. Dr Narongchai Akkharaseni, a policy adviser to Prime Minister Chatchai Chunhawan, has forecast a Gross Domestic Product growth rate as low as 6 percent in the next 2-3 years. This compares with a 13.4 percent GDP growth in 1988 and 12.2 percent last year.

Dr Narongchai, also an executive vice president of the private sector think-tank, the Thailand Development Research Institute, said the economy was already facing a slowdown from the high rates of recent years even before the August 2 invation of Kuwait by Iraqi forces.

TDRI had been forecasting an average 8 percent growth rate during the time of the next five-year plan, due to begin in 1992, even lower than that proposed by the National Economic and Social Development Board which had a forecast average of 9 percent in the same period. "But with the Middle East crisis, these figures are no longer relevant," Dr Narongchai told a meeting of the Australian-Thai Chamber of Commerce.

Thailand has been recording rapid rates of growth since the mid 1980s, fuelled by high levels of private-sector development, investment and strong export growth. The country has often been cited as the next newly industrialised country, to join the ranks of other NICs such as South Korea and Taiwan.

But Dr Narongchai said the events of the past month could not have come at a worse time for the economy's present stage of development. He said all that the economy had needed was three more years of good economic growth. "After that the economy would have been self-sustaining and would have been able to withstand the shock. But it happens now, and I don't think we can stand the shock so well," he said.

On the positive side, the Government's financial position was strong with the Finance Ministry reporting a buildup of funds of over 100 billion baht, with foreign currency reserves of around $13 billion. Dr Narongchai said if the Government could accelerate the number of public-sector projects during 1991-92, then the economic growth rate should be more than 7 percent. The country's nominal rate of growth of manufactured exports has in recent years been around 30-40 percent, but already this was set to slow to 15-15 percent this year.

He said that with the oil crisis looming, Thailand was again having to rely on exports as it had following the crisis in the early 1980s when economic growth was cut. As a result, the country was again to become a net borrower on international financial markets, after a long period, of consistent debt reduction, with a debt servicing ratio clawed back to 12 percent of the value of exports.

"This debt position will remain the same for 1990, but next year we will get back to a debt-increasing position because the current-account deficit is likely to be around 5 percent of GDP, compared with the present 3.4 percent," he said. He said overall the economy was not likely to be affected this year by any oil crisis, but with the oil prices going up, TDRI would have to revise its estimates downward for growth rates.

Army Plans To Increase Air Defense Capability

BK2608023690 Bangkok THE NATION in English 26 Aug 90 p 2

[Text] The Royal Thai Army is stepping up its air defence capability with a plan to establish a third regional anti-aircraft artillery battery to deter any possible air attack against Thailand, soures said. The planned anti-aircraft military unit will be based in the Third Army Region in Phitsanulok Province. The project is expected to be implemented early next year, the sources added.

Currently, the three armed forces—Navy, Army and Air Force—have already have separate anti-aircraft units but the planned artillery battery will give added punch to the regional army's defence capability, they said. In the past, only the air force had anti-aircraft units but military experts agreed that the similar units should be established at navy and army installations to improve efficiency in defence against air attacks.

Construction of the armed forces' anti-aircraft units to counter military threats is important because air strikes could cause extensive damage and casualties that could affect the morale of the public, the sources said. The Royal Thai Army established its first anti-aircraft artillery unit in 1986 in the First Army Region in Ayutthaya's Wang Noi district. Its second unit was later set up in the Second Army Region in Nakhon Ratchasima. But the main brigade was set up temporarily just this year at Bangkok's Bangkhen district. The sources said a permanent base for this unit is being constructed at the Thungsikan precinct in Bangkhen district.

They added that although radar systems are very expensive the new anti-aircraft artillery unit will not face a shortage of funds to purchase one.

Communist Terrorists Surrender in North

BK2408160790 Bangkok Army Television Channel 5 in Thai 1230 GMT 24 Aug 90

[Excerpt] A group of communist terrorists in Nan Province surrendered to Border Patrol Police [BPP] unit 324, bringing with them 11 AKA and SK rifles and ammunition. They have asked that they be allowed to return to their homes instead of having to hide in the jungle. Our correspondent reports:

[Begin recording by unidentified correspondent] Thirty two communist terrorists, 20 men and 12 women and children, in Nan Province surrendered to the BPP unit 324 two days ago. They have since been transported by helicopter from the BPP camp at Ban Nam Tuang to Suriyaphong Camp in Nan Province for detention. [end recording] [passage omitted]

Vietnam

NHAN DAN on Impact of Rising Oil Prices

BK2708133590 Hanoi Domestic Service in Vietnamese 1430 GMT 26 Aug 90

[NHAN DAN Article: "The Impact of the Gulf Crisis on the Economies of Countries"—date not given]

[Text] Following the incorporation of Kuwait into Iraq and then the sending of troops to Saudi Arabia by the United States and some other countries to build up their military presense in the Gulf area, the Middle East has become a powder keg. The world public is worried that a military conflict with unpredictable consequences can break out at any time. The crisis in the Gulf area has started to have an impact on the economic situation in many countries. Oil has provided nearly 45 percent of energy in the world. Two thirds of the world's oil reserves lie in the Middle East region. No amount of oil reserves, either offshore exploited oil or synthetic raw materials, can replace the oil in the Persian gulf.

Iraq and Kuwait have supplied 4.9 million barrels of oil daily to the world. The Western press has mentioned a third oil shock. The first one occurred in 1973 when the Arab-Israeli war broke out. The second one happened in 1979 when the regime of Shah Reza Pahlavi of Iran collapsed.

Under boldfaced headlines: "The recession of the 1990's"—NEWSWEEK; "On the Brink of Recession"—ASIAWEEK; "The Whole World Feels Dizzy"—TIME, the U.S. press analyzes the serious impact of an oil price increase on the U.S. economy and the dependence of many countries on Middle East oil. TIME magazine on 20 August observed: Increases in oil prices will cause inflation to soar leading to high interest rates and slower economic development. According to U.S. NEWSWEEK magazine, in fact, over the past eight years, the U.S. economy has shown signs of a spiral recession which means that a recession started in the Southwestern region to spread out to the Northeastern United States.

The Gulf crisis this time threatens to worsen the US economic recession. Several analysts said that the US economy would slump. If the price of oil increased to $25 a barrel this fourth quarter, the U.S. gross national product that quarter would decrease by 3.6 percent. If next year, a barrel of oil costs $32, the rate of unemployment in the United States will reach 7.4 percent by the end of the year and 2 million more people would be unemployed. Many countries that are dependent on the Middle East for oil are also facing new ordeals due to quick increases in oil prices.

In 1989, Japan imported 1.32 billion barrels of oil, 64 percent of which came from the Gulf countries: Kuwait, Oman, Iran, Saudi Arabia, the United Arab Emirates and the neutral zone of the Gulf area. Although Japan now has a 142-day oil reserve—in 1973 it had only a 49-day reserve—the country is anxious about a prolonged oil embargo against Iraq because the Japanese economy will face many difficulties. Moreover, Japan is concerned with coping with a real threat of inflation. Before Iraq moved its troops into Kuwait, the consumer price index in Japan had already increased by 2.5 percent. The central Japanese bank had to increase the interest rates in order to control inflation.

France, which imports 35 percent of its oil from the Gulf area, is also affected by oil price increases. If oil is $25 a barrel, it will slow France's rate of economic development by 3.1 percent and will add one percent to the three percent annual inflation rate.

Great Britain imports 14 percent of its oil from the Middle East and has an oil reserve of more than 4 billion barrels in the North Sea. Although it stands to gain from an oil price increase, many economists forecast that it would not be able to avoid the consequences of an oil embargo against Iraq. The country is currently facing a 9.8 percent inflation rate while the interest rate has already reached 16 percent.

Other countries such as Spain and Portugal are also affected by increases in oil prices. Spanish Prime Minister Felipe Gonzalez Marquez held that oil price increases would start a new economic recession which, although different than that of 10 years ago, would still be serious.

Increases in oil prices have also borne quite an impact on several Eastern European countries. According to the U.S. investment company Morgan Stanley, if a barrel of oil costs $20, Bulgaria and the Republics of Czech and Slovakia will have to spend respectively eight and 60 percent of their annual foreign exchange earnings. At $30 a barrel, these figures will increase by 120 and 90 percent.

Those countries and industrial territories which recently began importing oil from the Gulf area—such as Taiwan which gets 17 percent of its oil from Kuwait, Singapore which gets seven percent from Kuwait, and the Philippines which receives 25 percent from Iraq and Kuwait—are also affected by increases in oil prices. World public opinion holds that increases in oil prices are creating a good opportunity for oil producing countries including Venezuela, Mexico and Nigeria while, at the same time, compelling policy-makers to pay attention to closer regional cooperation.

The United States and Venezuela are discussing a program for oil supply to the United States including

U.S.-financed projects to increase Venezuela's oil production to 1.5 million barrels daily.

The Philippines plans to buy more crude oil from neighboring countries. Japan and new industrial territories are seeking better guaranteed sources of oil supply by exploiting oil mines in Myanmar [Burma] and Indonesia.

Assembly Chairman Receives Outgoing Soviet Envoy

BK2708152890 Hanoi VNA in English 1445 GMT 27 Aug 90

[Text] Hanoi VNA August 27—Chairman of the National Assembly Le Quang Dao yesterday received Soviet Ambassador to Vietnam D.I. Kachin who paid him a farewell visit at the end of his term of office here.

Chairman Le Quang Dao had a cordial talk with the outgoing ambassador.

Company Produces 4.5 Millionth Ton of Crude Oil

BK2708074790 Hanoi VNA in English 0711 GMT 27 Aug 90

[Text] Hanoi VNA August 27—The 4.5 millionth [metric] ton of crude oil has been produced by the Vietnam-USSR Petroleum Joint Enterprise (VIETSOPETRO) on the occasion of the country's two major anniversaries, the August Revolution (August 19) and the National Day (September 2).

Over the past eight months, the VIETSOPETRO has exploited 1,527,900 tons as planned. By overcoming difficulties including the shortage of materials and equipment it has put into operation oil rig no. 8 and is assembling oil rig no. 9.

The VIETSOPETRO is striving to raise the total volume of crude oil tapped since 1986 to five million tons by the end of this year.

Business Newsletter Published in Hong Kong

BK2708014590 Bangkok BANGKOK POST in English 27 Aug 90 p 18

[Text] The first issue of the VIETNAM NEWSLETTER was published this month in Hong Kong.

Published 23 times a year along with two six-month indices, it offers information on Vietnam's economic needs, investment possibilities, new regulations and potential pitfalls.

The VIETNAM NEWSLETTER is produced and published by Kingship Limited, a Hong Kong consulting firm providing market research and intelligence on trade related matters.

Vietnam announced its open door policy in 1988. Companies from 25 countries have already invested over $1 billion in 157 projects ranging from natural resources to foodstuffs to floating hotels.

SRV Road Builders Awarded Lao Labor Medals

BK2808041090 Hanoi VNA in English 1537 GMT 24 Aug 90

[Text] Hanoi VNA August 24—The Lao Ministry of Communications, Post and Construction on August 21 presented the Labour Medal of different classes to ten units and a number of individual experts and workers of the Vietnamese Communications Company No. 8, reports KPL.

The conferment was in acknowledgment of the recipients' contributions to building 132 km of road No. 8 linking Bolikhamsai Province of Laos with Vinh Port in the Central Vietnam Province of Nghe Tinh.

The Vietnamese Communications Company No. 8 has for 26 years now carried out surveys, designs and construction of many roads in the Provinces of Houaphan, Xieng Khouang and Luang Namtha, and other localities in Laos.

Nguyen Thi Dinh Awarded Cuban State Honor

BK2608072090 Hanoi VNA in English 1454 GMT 25 Aug 90

[Text] Hanoi VNA August 25—Mrs. Nguyen Thi Dinh, member of the Communist Party of Vietnam Central Committee and president of the Vietnam Women's Union, was awarded the Mariana Grajales Order, the highest distinction of the Federation of Cuban Women, in Havana on Thursday [23 August] while she was there for the celebation of the the federation's 30th anniversary.

Speaking at the ceremony, Vilma Espin, Politburo member of the Communist Party of Cuba Central Committee and president of the Federation of Cuba Women, highlighted the contributions made by Mrs. Nguyen Thi Dinh, who is also vice president of the Vietnamese State Council, in particular and by the Vietnamese women in general to the Vietnamese people's struggle for national liberation in the past and to their socialist construction at present.

In return, Nguyen Thi Dinh expressed her sincere thanks to the party, government and people of Cuba for their valuable assistance to Vietnam so far. She expressed the Vietnamese people's unswerving solidarity with the Cuban people and said she firmly believed that the Cuban Revolution will overcome all difficulties and advance steadily on the road to socialism.

Vietnam To Attend 11th Asiad in Beijing

BK2508091090 Hanoi International Service in English 1000 GMT 24 Aug 90

[Text] Vietnam on Wednesday made public a list of athletes who will will take part in the 11th Asiad to be held in Beijing, China. The Vietnamese delegation consists of 100 members, including 68 athletes and 14 trainers. The delegation will take part in 11 events, including shooting, boxing, free-wrestling, swimming, track and field, table tennis, volleyball, and arms combat [as heard], judo, fencing, and gymnastics.

"Attitude Toward the Past" Examined

BK2408012590 Hanoi NHAN DAN in Vietnamese 4 Jul 90, p 3

[Article by Quang Thong: "Attitude Toward the Past"]

[Text] A correct evaluation of history requires both competence and quality on the part of those doing the evaluation. The past should be evaluated and perceived from two different angles, based on methodology (tangible facts) and human understanding.

As far as methodology is concerned, history always means a continuous chain of events which have survived the test of time. The first criterion for evaluating the past is that the latter must be viewed within its own historical setting. Any attempt to separate the past from the evolutionary changes of its time and to use current concepts as criteria for survey and criticism will inevitably lead to subjective, superficial, and one-sided conclusions. As far as human understanding is concerned, revolutionaries and communists always cherish the past and know how to interpret, screen, receive, and develop past achievements, especially those that have just taken place and have been associated with the nature of the regime and with the work of those predecessors sharing the same ideals and objectives.

A strong wind has been whipped up in many socialist countries where people have turned to foreign countries, appreciating Western values, extolling the bourgeoisie-backed freedom, and mercilessly criticizing and then denying all socialist gains which are the fruit of the individual citizens and of the nation as a whole and which constitute a source of pride for all progressive people worldwide.

There have been two completely different attitudes. On the one hand, there must be a need to maintain a revolutionary and scientific attitude while making a thorough analysis and reassessment of the strong points and shortcomings that the party has displayed in the process of guiding the revolutionary cause. On the other hand, people have completely denied past achievements, regarding them as products of immaturity and of unforgivable "crimes." There is a very fragile, yet very distinctive line here, namely the motive behind criticism. The attitude toward the past must be regarded as the yardstick for measuring one's revolutionary quality. This attitude should be adopted by men of conscience and people who want to pursue the work left by past generations. Due to anger and impatience, people have based themselves on their subjective points of view and have used current events as the only criteria for evaluating past achievements, thus lacking both objectivity and the power of persuasion.

So far, the spearheads of the turbulent criticism campaign have all been directed at the drawbacks of socialism and have cast the blame on the communist party's leadership. It can be said that during that period of turbulent changes, anger and rejection of the past have reached epidemic proportions. Criticism based on the rejection of the past is not a new move because socialism has faced such challenges in many countries before. The only difference is that this move has occurred almost simultaneously and on a larger scale this time.

People have concentrated efforts on criticizing socialist models, accusing the party of monopolizing leadership, comparing the proletarian dictatorship to a "military camp," calling socialist democracy a phoney, and claiming that there is no respect for human rights and democratic freedoms under the socialist regime.... Three elements have been involved in the movement to criticize communist parties and socialism. They include the party's movement for self-criticism and self-examination, the masses' drive to openly contribute suggestions as to how the party can improve itself (this drive has developed into a campaign to smear and discredit the party and the regime in many countries), and the enemy's bold and direct attacks against the "red fortresses" in a bid to condemn the communist party and socialism and to propagate capitalism.

It is very interesting to know if there is a difference between the enemy's arguments and self-criticism, self-examination, and negation. All of a sudden, socialism has become the defendant and has been accused of all kinds of evils to the degree that many people who were sympathetic toward socialism have regarded the latter as unacceptable. Worse still, in some countries, even loyal party members who, after devoting their whole lives to serving socialist ideals, have voluntarily renounced their membership for fear of damaging their personal reputation due to their association with the communist party.

We cannot deny that hasty and harsh criticism of the past in many countries has opened the doors wide for harmful winds to blow in. This has been a once-in-millennium years' opportunity long awaited by the enemy of socialism and has caused losses that are hard to compensate for.

We agree with the viewpoint that the communist party has high militancy and a clear-cut goal and that it is really strong to daringly and publicly adopt self-criticism and encourage the masses to contribute their criticism. However, criticizing the past without falling into the enemy's trap and without "satisfying" its aspirations to its heart's content should be a matter for all revolutionaries to weigh upon. We all know that the United States has set forth six key potentials to be developed in order to compete effectively with the Soviet Union and oppose socialist countries. Of these six potentials—ideological and diplomatic strengths, economic and military aid, military strength, and covert operations—the United States considers the ideological the most important. Former U.S. President Richard Nixon wrote in his memoirs: "Although we compete with the Soviet Union in the military, economic, and political fields, the pivotal point of this U.S.-Soviet competion is ideology. All our weapons, agreements, trade, aid, and other cultural relations will lead nowhere if we fail on the ideological battlefront." Given such a view, we can see how "happy" the enemy of socialism must be with the recent self-criticism by socialism.

The core of the ideological battlefront currently staged by the United States and other capitalist countries is to concentrate on criticizing socialism, smear the Soviet Union and the regime in each socialist country, instigate the people to attack the regime and the communist party, and praise bourgeois freedom.

To counter this maneuver and to blunt the dangerous enemy offensive wedge on the ideological battlefront, what we need at present is nothing but political stability in order to consolidate the people's firm confidence in the socialist revolution led by the communist party.

In this article, we have not mentioned the great achievements of the Soviet Union and other socialist countries. If, on the one hand, some of what has been exposed through self-criticism and by the enemy aiming to smear socialism has been true, then on the other, the achievements of socialist countries have also been huge. Excluding the 28 years during which the Soviet Union was building a completely new society within the enemy envelopment to blaze a path for mankind, but starting from 1945 at the birth of socialism in the wake of World War II, the socialist system is only 45 years old. In only 45 years, the Soviet Union has already become a superpower and the No. 1 enemy of the United States. "What we have achieved, they also can. The first man in space was a Russian and not an American." (Nixon) In 45 years those socialist countries once victims of World War II, such as Czechoslovakia, the German Democratic Republic, and Poland, have been placed among the 10 most developed industrialized countries in the world. If socialism does not have a natural superiority and does not develop in accordance with the evolutionary law of mankind and particularly if there is no dynamism and creativity of communist parties, how can socialism have achieved such soaring progress causing panic to the enemy?

It is also normal under the evolutionary law of history that socialism is now facing the current crisis. What we should do now is to realize singlemindedly that in dire straits we should adopt an extremely calm attitude, especially when we make an analysis to seek the causes of shortcomings. Criticizing the past does not mean self-rejection.

The process of revolutionary renovation has taken place in Vietnam at a time when our party is changing its way of thinking. Therefore, we have also plunged into a similar situation at certain times. Loud criticism has been hurled at things of the past in our entire society, especially among cadres and party members. Shortcomings have been exposed in all domains of life, and a "gloomy picture" has been seen everywhere. In every place, symposiums, lectures, news conferences, and meetings have all been focused on criticizing things of the past. Even good deeds and those best years of our life have also been subject to criticism as the products of immaturity of the past. We must admit that many views have been contributed with a constructive attitude and true and ardent feelings in that wave of criticism. However, there have also been the indignant outcries raised by discontented elements, opportunitists, and thoughtless and gullible people to satisfy themselves. In fact, we should seek to reaffirm that our victories over the two wars of aggression by the French and the Americans are eternal epics that we can be proud of forever. If we take into account the short historical period of peace in our country, then we will realize that building of socialism in the north from 1954 to 1975 was, in fact, the building of a rear area to support the fighting on the frontline. In those 20 years, our entire party and people devoted all their intellect and energy to defeating the U.S. aggressors. When our country achieved unification 15 years ago, we had to take over and rebuild the old regime—a newly collapsed regime with all of its vestiges and consequences. We also had to engage in the two ruthless wars on our country's northern and southern borders, in which our entire party and people devoted a great deal of energy, intellect, and human and material resources to defending our country's sacred territorial integrity.

In switching a centralized and self-sufficient economy previously geared for fighting to a new mechanism with a virtually crumbling foundation as a result of war, it is certain and normal that we cannot avoid difficulties and shortcomings. In such a situation, all the initial results and progress we have achieved in eliminating difficulties to advance the process of renovation must be considered as a great source of encouragement. It is a marvelous achievement that we have been able to stabilize the situation, restore confidence, and gradually effect renovation to advance our country steadily. We have the right to be proud of our party and of our correct steps. This is not mere sophistry to justify our shortcomings. It is true that we have committed many mistakes and shortcomings during the past 15 years. Some of our serious mistakes and shortcomings have aggravated the already difficult situation in our country. Our party has bravely accepted its shortcomings and criticized itself before the people. It is our party which has encouraged our entire people to participate in contributing critical ideas to party building work. It is the desire of our party to see that in contributing their views to party building work or critical ideas to things of the past, cadres, party members, and the people demonstrate a high sense of responsibility and maintain a constructive attitude. They must also achieve the objective, that is, to help stabilize the situation, strengthen unity between the party and the masses, and fortify the people's faith in the process of revolutionary renovation initiated by the party. Criticizing the historical past or things of the past without taking into account the specific historical conditions and without adopting a careful attitude toward the past will only raise more doubts and disrupt the situation and will not benefit the revolutionary undertaking.

In the immediate future, our country's process of renovation still faces many difficulties. What we have achieved is basic and still not solid. Our country never needed political stability as much as it does now in order to mobilize the intellect and energy of the entire party and people to steadily advance the process of renovation. By welcoming selective criticism with a careful attitude toward the past, we will be able to develop the spirit of self-reliance, industriousness, and creativity and ensure unanimity between the party and the people to promote the cause of national construction, thus effecting a basic and firm change in preparation for the forthcoming historic seventh party congress and advancing our country to the new stage.

Domestic Market Price Situation Reported

BK2408053290 Hanoi Domestic Service in Vietnamese 2300 GMT 22 Aug 90

[Summary] Following is the domestic market price situation during the period 17-21 August 1990:

—"Grain: According to figures provided by the State Price Commission, over the past few days the price of grain in certain areas has dropped a little bit. Rice is relatively abundant. The price of rice in Thai Binh, Hai Hung, and Ha Ninh was between 750-780 dong per kg. In Hanoi, the price of non-glutinous rice was generally between 800-830 dong per kg, down by 20-30 dong. In the southern provinces, the rice harvest has been in full swing and the price of rice has been reduced by 20-30 dong per kg. The price of paddy in the Mekong River Delta was generally between 500-550 dong per kg and that of rice was between 850-900 dong per kg."

—Food: The price of pork in the northern provinces was stable. The price of a kg of pork was 4,800 dong in Ha Nam Ninh, 4,800-5,000 dong in Ha Bac, and 5,800-6,000 dong in Hanoi. The price of pork on the hoof in the southern provinces remained high, around 3,700 dong per kg. The price of monosodium glutamate and sugar in the northern provinces continued to rise as did the price of iron, gasoline, and oil. The price of gasoline was between 850-900 dong per liter in the northern provinces and between 900-1,000 dong per liter in the southern provinces.

—"Gold and the U.S. dollar: Over the past few days, the price of gold has increased sharply in the country." The gold price in Hanoi on 20 August was between 298,000-300,000 dong per chi [a unit of measure equivalent to 3.75 grams] while that in Ho Chi Minh City was 290,000 dong per chi. "The exchange rate for U.S. dollars in Hanoi was 6,200 dong per dollar."

Nguyen Khanh Addresses Hanoi Youth Meeting

BK2808045690 Hanoi Domestic Service in Vietnamese 1430 GMT 26 Aug 90

[Text] On 25 and 26 August in Hanoi, the Ministry of Interior and the Central Committee of the Ho Chi Minh Communist Youth Union [HCMCYU] held a get-together of representatives of outstanding youths in the Movement To Safeguard National Security, a Voice of Vietnam correspondent reported.

Over the past two years, youths in the people's public security and armed forces in various localities have set many good examples of resourcefulness and courage and have overcome difficulties in the struggle against crime. Thirty youths have been awarded various orders, 13 honored with Council of Ministers letters of commendation, and 43 others presented with Courageous Youth Medals. In addition, the Ministry of Interior and the HCMCYU Central Committee have commended a total of 16 collectives and 512 individuals.

On the morning of 26 August at the Presidential Palace, Nguyen Khanh, vice chairman of the Council of Ministers, cordially addressed the representatives. He commended the achievements of outstanding youths and presented them with gifts from Do Muoi, chairman of the Council of Ministers.

AIDS Prevention, Control Program Outlined

BK2808041690 Hanoi VNA in English 1440 GMT 27 Aug 90

[Text] Hanoi VNA August 27—Although no case of HIV infection or AIDS has been detected in Vietnam so far, a medium-term program is being prepared with the recommendations of the World Health Organization (WHO).

Vietnam is among the 11 out of 38 countries in Asia and among the 22 out of 181 in the world still unaffected by AIDS.

But with the increasing number of Vietnamese going abroad and foreigners entering the country, and the spread of prostitution the danger of HIV infection and AIDS morbidity is real.

An AIDS Committee headed by Professor Hoang Thuy Nguyen was established in 1987 under the Ministry of Public Health. But it was not until 1989 that prevention and control was given a fillip in the form of a short-term program within the framework of the WHO-sponsored global program on AIDS.

With the assistance of WHO and the Pasteur Institute in Paris, laboratories for HIV diagnosis have been set up in Hanoi, Haiphong, Hue, Danang.

These laboratories, in collaboration with the Pasteur Institutes in Paris and in Bangui, the Central African Republic, and the Swedish National Biological Laboratory, have tested more than 43,200 blood samples taken from high risk groups population centers: Hanoi, Haiphong, Danang and Ho Chi Minh City. All the tests were negative.

A National AIDS Committee will be founded soon to take charge of the program on AIDS prevention and control which is aimed at preventing HIV transmission and reducing the morbidity and mortality associated with HIV infection, and at education on AIDS-related problems.

In the context of the short-term program, a WHO-funded training course on the surveillance and clinical management of HIV infection was held in Hanoi from July 31 to August 3 for 36 doctors and chief nurses.

Two Antismuggling Committees Created

BK2508113890 Hanoi Domestic Service in Vietnamese 0500 GMT 25 Aug 90

[Text] To coordinate guidance for activities among various sectors and localities in the antismuggling efforts, the chairman of the Council of Ministers has decided to set up two special antismuggling committees for northern and southern provinces which will be placed under the direct supervision of the chairman of the Council of Ministers.

Members in these two committees are representatives with full power from the Ministries of Trade, Interior, Finance, Culture, Information, Sports, and Tourism; the Customs General Department; the State Inspection and Army Inspection Departments; the Naval Command; and a number of military regions and people's committees of certain provinces and cities under the direct jurisdiction of the central government. Also participating in these committees are representatives from the Supreme People's Organ of Control and the Supreme People's Court.

A number of provinces and cities under the direct jurisdiction of the central government will also set up special antismuggling subcommittees and place them under the direct supervision of the appropriate people's committees.

Special antismuggling committees and subcommittees will have various units and teams in charge of directly monitoring, detecting, and taking actions in accordance with the law against all smuggling activities of any organizations or individuals.

Hanoi Radio Coverage of VNA Interview

WA2808144090

[Editorial Report] Hanoi Domestic Service in Vietnamese on 25 August at 1430 GMT broadcasts the "text" of an announcer-read interview with Foreign Minister Nguyen Co Thach by an unidentified VNA correspondent. This interview is identical to a 26 August VNA item entitled "VNA Interviews Nguyen Co Thach on Cambodia", published on page 52 in the 27 August East Asia DAILY REPORT.